HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Health

HESA • NUMBER 103 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Monday, April 30, 2018

Chair

Mr. Bill Casey

Standing Committee on Health

Monday, April 30, 2018

● (1530)

[*English*]

The Chair (Mr. Bill Casey (Cumberland—Colchester, Lib.)): We'll call this meeting to order.

We're going to continue first of all with our clause-by-clause consideration of Bill S-228, pursuant to the order of reference of Wednesday, February 14.

(On clause 5)

The Chair: I'm going to go right to clause 5. We have no amendments for clause 5—

Yes?

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): I thought we didn't get to vote on amendment CPC-4, which was an amendment to clause 5.

The Chair: I'm sorry, you are absolutely right. We are still debating amendment CPC-4.

Do we have anybody who wants to debate it?

Ms. Gladu.

Ms. Marilyn Gladu: It's surely not to debate, but perhaps to refresh the minds of those who are voting.

We heard a lot of discussion that said we don't want to impact advertising to adults; we want to restrict advertising to children. This amendment basically clarifies that we don't want to unreasonably limit access to an audience other than children.

The Chair: Are there any other comments?

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 5 agreed to)

The Chair: Now we will go to clause 6, and we have amendment CPC-5.

(On clause 6)

The Chair: Ms. Gladu.

Ms. Marilyn Gladu: We heard testimony that many of the sponsorships are of a long-term nature, four and five years, and so to make sure that they are not unduly impacted by the legislation, we want to extend the coming into force date. That's what this amendment does.

The Chair: I have bad news.

Bill S-228 would come into force two years after royal assent. The amendment tries to replace the timeline with December 31, 2024.

As the *House of Commons Procedure and Practice* says, in the third edition on page 774:

> ...an amendment to delay the coming into force is admissible as long as the delay is considered to be reasonable and not seen as an attempt to thwart the implementation of the provisions of the bill.

In the opinion of the chair—and I had a little help—the proposal would drastically increase the time elapsed before the bill would come into force. The amendment is therefore inadmissible.

Thank you very much.

Ms. Marilyn Gladu: I missed that page, clearly.

(Clause 6 agreed to)

The Chair: Shall the short title carry?

Some hon. members: Agreed.

The Chair: On the preamble, we have an amendment, LIB-3.

Mr. Doug Eyolfson (Charleswood—St. James—Assiniboia—Headingley, Lib.): I'd like to move an amendment to the preamble replacing line 32 on page 2 with the words:

> Whereas it is widely acknowledged that market-

and then adding after line 40 on page 2 the following:

> Whereas it is necessary to review and monitor the effectiveness of this Act, particularly in light of new forms of advertising;
>
> And whereas persons who are at least 13 years of age but under 17 years of age are also vulnerable to marketing and its persuasive influence over their food preferences and consumption and it is also necessary to monitor and review the advertising of foods and beverages to that age group;

This basically supports an amendment that was put into the substance of the bill.

The Chair: Is there any discussion on amendment LIB-3?

Mr. Lobb.

Mr. Ben Lobb (Huron—Bruce, CPC): In general, have we been told how much it's going to cost to enforce this bill? Does anybody have any costing ideas on this?

The Chair: It hasn't come up.

Mr. Ben Lobb: Do officials have any idea on the cost for this?

● (1535)

Ms. Karen McIntyre (Director General, Food Directorate, Health Products and Food Branch, Department of Health): At this point in time we don't, but when we start to draft the regulations we have to do a cost-benefit analysis as part of our regulatory procedures, so we will know then, but we do not at this time.

Mr. Ben Lobb: I'll just summarize some of my thoughts here, and then I'll leave it for the rest of this bill.

It's nothing against the author of the bill. I have great respect for the author of the bill; and for those who are going to vote for it, that's their business. However, if you look at what this bill is doing and what it will do, it is going to create probably the largest loophole in the 10 years I've been in Parliament to allow things to be in or things to be out, and members of Parliament will have no idea why one product or one company is allowed to advertise and another company is not allowed to advertise. If they have a full government relations team, if they have a full team of lobbyists, maybe they will, or maybe they won't. The sponsorship side has been taken out just since this bill was introduced. Now it's just left to advertising. When we talk to advertisers, they say that digital advertisers aren't even interested in doing this, but Health Canada is working with them.

It's probably quite obvious that the government will vote for this bill, and that's their business, but I just think when we do this and we leave it up to regulation, as we did and we had a good discussion at the last meeting that this will be done by regulation, we don't have a definition of "unhealthy food". We never did get that. There are many things that have not been completed. The officials who were here at our last meeting could not give us an idea about what "unhealthy" or "healthy" would be, that it would be dealt with after the passing of the bill, and so on.

We're abdicating our role as parliamentarians when we allow such a massive loophole to be created that will be completely passed without any oversight at all, from the purview of members of Parliament. In addition to that, you could also argue, what's the point of a member of Parliament? We're sitting here basically voting for the biggest loophole ever, that just says, "Hey, bureaucrats"—and nothing against public servants—"public servants, you go ahead and do the whole thing."

My only opinion on that is that there are so many dollars at stake, and we just asked the simple question about how much this will cost to implement, but we don't have an answer, primarily because we have no idea what we're trying to implement. That would be a starting point. Nonetheless, be that as it may, we know the votes and we know the way it is.

Again, I'm all for a healthy lifestyle, exercise, a balanced diet, and so on. I have kids of my own. I get that. I understand the idea of this bill, but from a practical standpoint, as it may or may not be passed today, it accomplishes very few of those goals. Nothing against Timbits, but the mere fact that kids will still have hockey jerseys on them saying "Timbits hockey" really misses the point of what maybe the bill was trying to accomplish.

Anyhow, I may be all right, or I may be all wrong, but I've had my say. That's what my job is.

The Chair: I wonder if our panellists have any comments about the process to design these regulations. What is the process?

Ms. Karen McIntyre: It is a Treasury Board directive that we follow in terms of how we develop all regulations. We go through a gazetting process. We develop the policy, we draft the regulations, and it goes for a formal consultation in *Canada Gazette,* part I.

Prior to doing that, we do full costing. That is all included in *Canada Gazette,* part I, in the regulatory impact analysis statement. We would do that analysis.

The information on costing is received from the industry itself, and then that analysis is completed and goes into *Canada Gazette*, part I, for a 75-day consultation period.

We analyze the comments we receive, along with looking at addressing or tweaking, or making changes to the regulations as necessary, depending on what type of information we receive. From there, it's published in *Canada Gazette*, part II, where it becomes official regulations. That's the promulgation step.

The Chair: In the consultation process, members of Parliament could make their comments at that time.

Ms. Karen McIntyre: Yes. Everyone is welcome to provide comments.

The Chair: Is it open to the public?

Ms. Karen McIntyre: Yes.

The Chair: Okay. Thank you.

Mr. McKinnon.

Mr. Ron McKinnon (Coquitlam—Port Coquitlam, Lib.): After the regulations are made and in force, what is the process for amending them should people feel that they need to be amended?

Ms. Karen McIntyre: That can happen as well. It would go through a very formal consultation process in terms of opening them up and revising them.

We recently did that. An example is our nutrition facts table.

Hasan, those regulations were promulgated back in, what, the early 2000s?

● (1540)

Dr. Hasan Hutchinson (Director General, Office of Nutrition Policy and Promotion, Health Products and Food Branch, Department of Health): Originally, yes.

Mr. Ron McKinnon: I'm interested in who can initiate such a review and such an amendment. Can industry say, "Listen, this is a problem"?

Ms. Karen McIntyre: Yes. As new information becomes available, we certainly can take those steps to open up regs and revise them.

The Chair: Mr. Lobb.

Mr. Ben Lobb: I think we're all pretty clear at this point about how the process works, when it's through regulation and the gazetting process. Many of us would have gone through it in some way, shape, or form through the years.

I understand there is a regulatory process and the officials at Health Canada will do their due diligence. My point is that we will have members of Parliament voting on a private member's bill about which they do not have definition of "unhealthy food". We've already heard that. We've heard that from officials, we've heard that from experts, that we do not know the definition of unhealthy food. I would have said at the very least we should know that before we vote on it. If I had known what the exact definition of unhealthy food was, maybe I'd be supporting this bill, but I have no idea. Maybe an apple is unhealthy. I don't know. I doubt it would be deemed unhealthy, but I'm just making that as my point.

Second, I would go back to one word in the bill; it raises my eyebrow. It was in clause 5 and it says "in a manner that is primarily directed at children". It doesn't say it has to be only directed at children, it says "primarily directed at children". Any legalese would tell you that "primarily" means something much different from "definitively". That could be a concern down the road. I don't know.

Anyhow, vote away, vote often, but do know that you're voting for something that isn't defined and it isn't costed, if that makes you feel any better.

The Chair: All in favour of LIB-3, the amendment to the preamble?

(Amendment agreed to [See *Minutes of Proceedings*])

The Chair: Shall the preamble carry as amended?

Some hon. members: Agreed.

The Chair: Shall the title carry?

Some hon. members: Agreed.

The Chair: Shall the bill as amended carry?

Some hon. members: Agreed.

The Chair: Shall the chair report the bill as amended to the House?

Some hon. members: Agreed.

The Chair: Bill S-228 is done. Thank you.

Mr. Ron McKinnon: Don't we normally have to approve a motion to have it printed and distributed?

The Chair: No, it's a Senate bill. It doesn't have to be. It's already done.

We're going to take a break and were going to bring our new panel in.

• _____ (Pause) _____ •

• (1545)

The Chair: Pursuant to Standing Order 108(2), a study of premixed drinks with high alcohol, caffeine, and sugar content will be undertaken by this committee.

We have three panels today. We're going to have one session of seven-minute questions. Then we're going to change panel, and then we're going to change panels again.

With us, from the Department of Health, we have Karen McIntyre, Director General, Food Directorate, Health Products and Food Branch; and Barbara Lee, Director, Bureau of Chemical Safety, Food Directorate.

I offer you a five-minute opening statement to tell us about this.

Ms. Karen McIntyre: Thank you very much, Chair, for the opportunity to be here today to discuss the issues surrounding highly sweetened, high-alcoholic beverages sold in large-format, single-serve containers.

Health Canada is concerned about the health risk posed by these types of alcoholic beverages. These products have been specifically designed to appeal to young people and can contain up to four standard alcoholic drinks in a single-serve container. This can promote over-consumption with serious risks to health and safety.

Taking action on this issue is a priority for the department. On March 19, Health Canada issued a notice of intent outlining a regulatory proposal to amend the Food and Drugs Act and regulations to restrict the amount of alcohol in these types of products. We intend to limit the number of standard alcoholic drinks contained in alcoholic beverages that are highly sweetened, high in alcohol, and sold in large-volume single-serve containers, by consulting on two specific issues.

First, we are seeking input on the mechanism to restrict the amount of alcohol. This could be achieved by limiting the maximum size of the container or by limiting the percentage of alcohol in a single-serve container.

Second, we are seeking views on the sweetness threshold that would trigger those restrictions. This proposal is not intended to capture liqueurs, dessert wines, and other sweet alcoholic beverages that are sold in resealable containers.

This consultation is open until May 8.

We have been actively engaging with our provincial and territorial governments. This is important, given that the oversight of alcohol is shared by federal, provincial, and territorial governments.

We are also seeking stakeholder views on other measures around advertising, marketing, and labelling that could be taken to reduce the risk related to these products.

In fact, just this morning Health Canada convened a meeting with the provinces and territories on this issue and discussed the scope of the problem within their jurisdictions. We are also monitoring actions proposed by the Quebec government and will also be convening a meeting with governments, health stakeholders, and industry at the end of this month.

Input from public consultations and experts will be carefully considered as we develop our regulatory approach. We are aiming to introduce new regulations in the fall of 2018.

To effectively manage the risk associated with these types of products, it is important to understand that the oversight of alcohol is shared by federal, provincial, and territorial governments.

At the federal level, the food and drug regulations contain standards for different categories of alcohol, such as beer, wine, and spirits. The Food and Drugs Act also contains general prohibitions against deceptive marketing of foods, including alcoholic beverages.

Provinces and territories control how alcoholic beverages are accessed and sold and can also set out additional requirements around labelling and advertising.

Alcohol beverage marketing is largely self-regulated and is primarily governed by the code for broadcast advertising of alcoholic beverages set by the Canadian Radio-television and Telecommunications Commission, the CRTC. The code imposes content restrictions on alcohol broadcasting advertising, including restrictions on advertising to youth and on the promotion of alcohol consumption. Compliance with the CRTC advertising rules is under the purview of Advertising Standards Canada. However, the CRTC code is voluntary and does not have the force of law.

Given the committee's interest in the issue of caffeine and alcohol, I would also like to take a moment to clarify a few details regarding caffeine in these types of beverages.

First of all, the product that was linked to the tragic incident in Quebec was reported in the media as an alcoholic, caffeinated energy drink. This is incorrect.

Second, under the food and drug regulations, Health Canada does not permit the addition of caffeine to alcoholic beverages other than caffeine that is naturally present in flavouring ingredients such as coffee, chocolate, and guarana. The amount of caffeine that these flavouring ingredients contribute to an alcoholic beverage is very low.

For example, a serving of coffee contains up to 180 mg of caffeine in an eight-ounce cup. When CFIA tested samples of the Quebec product, the amount of caffeine was found to be very low, less than 5 mg per can.

Third, caffeinated energy drinks can only be sold under certain conditions. For example, they cannot contain any alcohol and they must carry precautionary warnings. These warnings include a statement on the label that identifies the product as a high source of caffeine, a warning not to mix with alcohol, and a statement that the product is not recommended for children or for women who are pregnant or breastfeeding.

In conclusion, Health Canada is very concerned about the amount of alcohol found in these highly sweetened beverages sold in single-serve containers and aggressively marketed in a way that appeals to young people and promotes over-consumption.

● (1550)

The public health risks associated with these products can only be effectively mitigated through a combination of measures by federal, provincial, and territorial governments. We are taking action, and together we can reduce the risks to the health and safety of Canadians.

The department is also looking forward to the outcomes of this committee's study.

Thank you very much.

The Chair: Mr. Ayoub, you have seven minutes.

[*Translation*]

Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.): Thank you, Mr. Chair.

I would like to thank the witnesses for being here today.

[*English*]

I'm going to put on the timer just to make sure I have the full seven minutes.

[*Translation*]

Thank you for appearing before our committee to discuss an issue that affected Quebec a few weeks ago when young Athéna Gervais died accidentally. Unfortunately, it is this incident that has brought us to taking the time to address the problem of sugary, high-alcohol drinks. It's an unfortunate incident, but at least it is getting us to take time to look at this issue. I won't go into details like the caffeine content or high concentration of sugar or alcohol. I don't want to talk about the way these drinks are made, but rather the approval of Health Canada.

How can products like this make their way to stores?

I know the responsibilities are split between the provincial and federal governments, but we're here to study the federal government's role. How can the federal government act quickly?

On the provincial side, we've seen that a stream of regulations were quickly established following this unfortunate accident. So, in other words, it's possible to react quickly.

How is it that we're taking so much time? Personally, I would like things to move a little more quickly to prevent an accident caused by excessive drinking of such a product.

In short, how can products like this get to stores? What can Health Canada do to prevent an accident like this from happening again?

[*English*]

Ms. Karen McIntyre: In Health Canada, changing regulations does take some time. However, in order to help reduce the risks associated with these types of products, Health Canada immediately issued an information update reminding Canadians, especially young adults, of the risks associated with drinking large-volume, single-serve beverages that are high in alcohol. That was issued on March 9. Shortly afterwards, on March 19, we issued a notice of intent, or an NOI, to amend the food and drug regulations to restrict the amount of alcohol in single-serve, highly sweetened and flavoured, high-alcohol beverages.

As I mentioned in my opening remarks, we're currently consulting on that. That consultation period will end on May 8. Then we will begin to draft the regulations.

● (1555)

[*Translation*]

Mr. Ramez Ayoub: You say that you are consulting the public, but is it the general public for information purposes or experts who will make recommendations to the minister so that new regulations can be established?

[*English*]

Ms. Karen McIntyre: Both. The NOI is open to all Canadians. It includes experts. It includes key stakeholders, health professionals. Anyone is welcome to provide comments, and we give due consideration to everything we receive.

The other thing we're doing is we are meeting with our provinces to discuss the issue more broadly in terms of experiences in provinces and territories. We also will be meeting, as I mentioned in my opening remarks, with the industry as well as health professionals at the end of May to talk about additional measures that can be taken in order to help mitigate this health and safety issue.

[*Translation*]

Mr. Ramez Ayoub: I would like to talk about the marketing of this kind of product. I'm not particularly familiar with the role of guarana, but this product seems to be legal, at least its use isn't restricted in Canada. But it's banned in the U.S.

Why isn't this product banned in Canada? Why can it still be obtained in Canada?

[*English*]

Mrs. Barbara Lee (Director, Bureau of Chemical Safety, Food Directorate, Department of Health): Guarana is a flavour that is allowed to be added to food ingredients. It's an approved ingredient as a flavour. It is actually not banned in the U.S. in these particular products.

In 2010, when the U.S. looked at these products, the companies voluntarily decided to pull all products that would be in energy drinks out of these products. That included guarana. It is not a question of banning. The companies chose to pull out all the ingredients that would have been in a traditional energy drink, one of which was guarana. Taurine is another. There are other ingredients.

[*Translation*]

Mr. Ramez Ayoub: According to my sources, guarana is banned in the U.S. I will check my sources again. And if you could give me your sources, that would be good because it would prevent me from doing more extensive research.

The tactic was clearly to mask the quantity of alcohol and its effect, particularly the taste. So a larger quantity can be consumed more quickly. The same expression exists in English; the Americans call it

[*English*]

"blackout in a can".

[*Translation*]

How is it possible to find this kind of product when its effects are being masked? I haven't even talked about product advertising yet. We just finished our study of Bill S-228. Advertising for this product is clearly aimed at young people. I have pictures of convenience stores in Quebec where the product can be found. Advertising is certainly not for older adults. The hope is that it will target young adults, but it clearly attracts young adolescents.

How is it that this kind of product is on shelves?

[*English*]

Ms. Karen McIntyre: Like most foods, as long as the general food safety requirements are met, along with additional requirements specific to that particular type of product, alcoholic beverages can be legally sold in Canada and they don't need to have a pre-market assessment or an approval from Health Canada.

At the federal level, Health Canada regulates alcohol under the Food and Drugs Act. It includes things like standards of identity for specific categories of alcohol, such as beer, cider, whisky, rum, gin, different types of spirits. It can include permissible ingredients that are allowed in those products, methods of manufacture, and certain labelling requirements, such as common name, quality, and alcohol by volume. The act also contains general prohibitions against deceptive marketing of foods, which also applies to alcoholic beverages.

On the other hand, the provinces are responsible for enacting laws and regulations regarding the sale and distribution of alcoholic drinks within their jurisdiction. Alcohol oversight is usually managed by the provincial liquor control boards or commissions. They can set out additional health and safety labelling regulations related to alcoholic beverages. They also have the authority to control accessibility through pricing, licensing of outlets, hours of operation, and setting minimum drinking ages.

● (1600)

The Chair: Time is up.

Ms. Gladu, seven minutes.

Ms. Marilyn Gladu: Thank you to the witnesses for appearing today.

My first question has to do with the information bulletin that went out.

I agree with the comments that Mr. Ayoub made about the timeliness of follow-up when we have this kind of incident happen. Quebec reacted quickly to put something in place. I know that the federal regulations have to go through due process and take some time, but who does the information bulletin go to? How will young people see that?

Ms. Karen McIntyre: In addition to the information update, we publish it on our website. We also did a number of tweets and used social media in order to target parents as well, because it is important that parents are receiving this information so that they can also discuss this with their children because they have an important role in terms of communicating this type of information to their teenagers.

Ms. Marilyn Gladu: Young people who don't make a habit of going to your government website and parents who aren't habitually following the tweeting of Health Canada wouldn't see the information. Is that true?

Ms. Karen McIntyre: Yes, there definitely are limitations with publishing information on websites. Using social media is one of our strategies in terms of trying to find ways of communicating with youth.

Ms. Marilyn Gladu: Is there no other mechanism? I know we've had incidents in Canada. For example, I remember when there was listeria in meat. There was an immediate Health Canada reaction to recall stuff, to get rid of stuff. Why was that mechanism not employed in this circumstance?

Ms. Karen McIntyre: In this case, the manufacturer took immediate action and ceased to manufacture the product.

Ms. Marilyn Gladu: Is it the only one that manufactures this type of product?

Ms. Karen McIntyre: The specific product that was implicated in this tragedy stopped being marketed, but there are similar products on the market that fall into this category of highly sweetened, high-alcohol, large single-serving drinks.

Ms. Marilyn Gladu: I don't know the specifics of the incident because I didn't think the detail was there. How did this 14-year-old girl get hold of a high-alcohol-containing beverage? Did she purchase that herself at the store? What was the story there?

Ms. Karen McIntyre: It's our understanding that she didn't purchase it, that she had stolen the product from the depanneur.

Ms. Marilyn Gladu: All right. That answers that question.

I see Alberta and Ontario don't allow these kinds of drinks. As I understand it, although maybe I'm wrong, you wouldn't be able to have those kinds of products in those two provinces. That would make me think they have regulations of some kind, so it should be quite simple to look at them, because they're working, and to copy them. Is that the case?

Mrs. Barbara Lee: This particular product was sold only in Quebec, but there are other similar products that are also on the market, and they are on the market across Canada. That's why we're here today to have this discussion about how to manage this further.

That particular product itself was very much targeted and marketed in Quebec.

Ms. Marilyn Gladu: Very good. Thank you.

I think my colleague Mr. Webber has one or two questions.

Mr. Len Webber (Calgary Confederation, CPC): Ms. McIntyre, in your presentation you talked about the size limit of containers and percentage of alcohol. You talked a bit about the caffeine percentage in drinks. I might have missed this, but the sweetness threshold in drinks is obviously something that you'll be looking at as well and testing for sugar content in determining what the threshold will be with sugar.

● (1605)

Ms. Karen McIntyre: That's correct. We're consulting on two things. The second thing we're looking at is the threshold for sweetness.

Mr. Len Webber: All right.

The Canadian Association of Liquor Jurisdictions has indicated also that it will take industry some time to adjust to these new policies that you'll put in place. They are just asking that they have sufficient advance notice of the regulation changes so they can address their currently stored stock in these liquor jurisdiction warehouses. I'm just passing that on to you. You will hear that in your consultation as well.

Ms. Karen McIntyre: Thank you. That is noted.

Ms. Marilyn Gladu: My other question is about public education. We just got through looking at Bill S-228 to try to prohibit marketing of unhealthy foods to children. It seems to me that foods that are high in sugar or potentially high in alcohol would not be good for kids. Would you agree with that? If so, what type of public education campaign is Health Canada going to take on to make sure that children are aware of the hazards of these kinds of products?

Ms. Karen McIntyre: That's a good question. This is very much a product where there's aggressive marketing towards youth in the use of bright colours, the use of interesting names for the products, and the promotion of the word "guarana" on the label. There are a number of things. It's quite aggressively targeted at youth, particularly young females. It is an important consideration in terms of not only the regulatory side of making changes that would, in effect, prohibit the marketing of these products in their current format—although certainly that's going to be an important consideration in terms of mitigating the health risks associated with these products—but also the way in which they're marketed.

Of course, education is an important aspect of this. One thing we're doing is working with the provinces, working with key stakeholders, because it's more than Health Canada's role to work on education and getting those messages out there. We can do all that we can, but the more mechanisms and different ways of distributing this information we can get out there, the more impact we can have in terms of reaching those vulnerable populations about the risk of these products.

Ms. Marilyn Gladu: You said the consultation closes on May 8.

Ms. Karen McIntyre: That's correct.

Ms. Marilyn Gladu: When could we reasonably expect to have a regulation in place to protect Canadians?

Ms. Karen McIntyre: We're anticipating we'll have a regulation ready for the fall.

Ms. Marilyn Gladu: Thank you.

The Chair: Thank you.

Mr. Boulerice, welcome to the committee.

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Thank you, Mr. Chair.

I would like to thank the officials from Health Canada for being with us today.

By the end of this meeting, the questions that will be asked by the three parties represented around the table will probably be along the same lines. As Quebec MPs, we were very shaken by the tragedy of this teenager, Athéna Gervais. We want to assume our responsibility as parliamentarians and prevent this from happening again.

If the advertising for these sugary, high-alcohol drinks sold in convenience stores and grocery stores is based on the theme of break week, then presumably I am not being targeted. Since we have teenagers at home, we are familiar with the break week phenomenon: it is an opportunity to celebrate.

In your opinion, if we aren't supposed to sell alcoholic products to teenagers, how is it that an advertisement with a spring break theme in which people are encouraged to go and buy a flashy can for themselves is authorized?

[*English*]

Ms. Karen McIntyre: The approval of advertising campaigns and marketing tactics is the responsibility of the provinces. The Régie des alcools in Quebec is responsible for pre-approving marketing for these types of products, so I think that you may want to refer that question to them.

[*Translation*]

Mr. Alexandre Boulerice: In other words, Health Canada has no authority over this.

● (1610)

[*English*]

Ms. Karen McIntyre: We have no authority there.

[*Translation*]

Mr. Alexandre Boulerice: That's too bad because this concerns the health of our kids.

Could you explain what effect a drink that combines a high sugar and a high alcohol content has? In this case, the alcohol level could be up to 12%, which is equivalent to four glasses of alcohol per can. These cans are large, barrels practically. What effect does such consumption of sugar and alcohol have on a 14- or 15-year-old?

[*English*]

Mrs. Barbara Lee: If I understand the question correctly, the question is do we know the impact on the health of young people of the combination of the alcohol and the sugar.

The sugar, from what we see, seems to mask or impact the flavour of the alcohol. You're not tasting the malt or the alcohol in it to the same extent as you would, say, a spirit or a beer. That's the benefit or the impact of adding sugar to these high-alcohol products. In addition, they're also being sold, as you said, in a high volume, equivalent to four glasses or drinks in one can. That's the combination that creates the concern, and why we're out with this notice of intent, trying to figure out how we're going to manage this. That's a concern for us too.

[*Translation*]

Mr. Alexandre Boulerice: You said a little earlier that there wasn't much guarana, a natural caffeine, in the drink connected to the Athéna Gervais tragedy.

Even though it was a small quantity, is the effect of this natural caffeine combined with the mix of sugar and alcohol significant?

[*English*]

Mrs. Barbara Lee: The impact of the guarana and the amount of caffeine in that guarana is negligible. It is basically marketing and advertising the word "guarana".

[*Translation*]

Mr. Alexandre Boulerice: You are drafting changes that will be made to the regulations next fall, but I would like to know more specifically when these changes will be implemented.

From a public health perspective, shouldn't we simply ban the sale of these sugary, high-alcohol drinks, rather than change the regulations? Is there a way to say they aren't products we want to see in our stores?

[*English*]

Ms. Karen McIntyre: Through the regulatory amendment process, we will be banning the way these products are currently made available on the market. You won't be able to see these large cans with high alcohol anymore. They'll have to do one of two things: either they could reduce the can to a smaller size, which is something we did with our caffeinated energy drinks to control the amount of caffeine that people were getting and we would use the same approach here, so they would get less alcohol because it's in a smaller can; or they could reformulate and have products that are the same size, but the concentration of alcohol is much less.

Mrs. Barbara Lee: Perhaps I could add one other thing. Part of the purpose of the notice of intent, too, is to get an understanding of how much of this type of product is out there and what the implication is. We know of certain products, but we're trying to get a better handle on the scope of this particular group of products.

[*Translation*]

Mr. Alexandre Boulerice: Are you talking about the size of the cans and percentage of alcohol they contain? Do you have any intentions regarding labelling or warnings, or will it not be necessary when the first measures have been properly implemented?

[*English*]

Ms. Karen McIntyre: As I mentioned in my opening remarks, there are a number of measures. We have certain levers that we can exercise under the Food and Drugs Act, and we are using our full authorities there to do what we can to mitigate this issue. However, the provinces and territories also have their jurisdictions with regard to these products, including marketing, advertising, and accessibility. That is why we're working very closely with them to come up with a suite of measure that will fully address this problem.

The Chair: Okay, the time is up.

Mr. Oliver.

Mr. John Oliver (Oakville, Lib.): Thank you for your testimony today.

I did read through the notice of intent to issue a regulation and the work that you're doing there. I certainly support and encourage that proposal. Is there anything you need from the committee to help submit this work, or would confirmation from the committee that we would support that type of regulatory amendment be helpful?

● (1615)

Ms. Karen McIntyre: Yes, your support would be very much welcomed.

Mr. John Oliver: Okay.

On another question I have, if I go to the corner store and buy a Clamato juice, there is a nutrition facts table on that so I know exactly what I'm getting. If I buy a Coca-Cola, I think there's information on it about the RDAs. If I buy a premixed Clamato juice at the liquor store, I get no information. If I buy a premixed rum and cola at the liquor store, I get no RDA information. I was looking at the food and drug regulations and there's an exemption in there: a beverage with an alcohol content of more than 0.5% is exempt from nutritional facts table disclosures, or RDA disclosures. Why wouldn't we change that? With the significant explosion, I would almost call it, of premixed drinks or sugar drinks, why would we exempt alcoholic beverages from having a disclosure of the RDA?

Ms. Karen McIntyre: That was done a number of years ago. You're not the first one to raise this to us, and it certainly is on our radar. Going forward, we will be considering the fact that it's currently exempted and we may be moving forward with changing it.

Mr. John Oliver: Would that require an amendment to the actual act itself?

Ms. Karen McIntyre: No, it would be an amendment to the regulations.

Mr. John Oliver: So it's the regulations that provide the exemption.

Ms. Karen McIntyre: That's right.

Mr. John Oliver: Okay, so again, the committee could make a very clear recommendation that we believe all alcoholic beverages should contain that information. Then at least some would know exactly how much sugar and what the caloric intake is in that beverage, which is important regardless.

The third area of questioning I have is around advertising. It has come up a few times. I heard you say you're doing consultation with the industry, and a few of my colleagues have raised it. Here at the committee, under the cannabis legislation, we dealt specifically with advertising directed at minors. Under tobacco and plain packaging, we dealt specifically with advertising directed at minors. As well, under the vaping act that we looked at, we dealt with advertising directed at minors. In the food thing we're just working with, the whole issue is around how to restrict products that are high in sugar and the advertising to youth. Why is that not federal jurisdiction in alcohol? Why do we not have the capacity to regulate that?

Ms. Karen McIntyre: As I mentioned, in the act we have provisions surrounding advertisement, in section 5, I think.

Mr. John Oliver: It's in the Food and Drugs Act?

Ms. Karen McIntyre: It's in the Food and Drugs Act, but it's related to deception—advertising, marketing, and deception, misleading, fraud—

Mr. John Oliver: I understand, but is it because there is no federal jurisdiction or because it's not built into the act itself?

Ms. Karen McIntyre: That's right; it's not in the act itself for us to—

Mr. John Oliver: Back in 2004, in the journal *Archives of Pediatrics and Adolescent Medicine*, they found that "exposure of underage girls to alcohol advertising is substantial and increasing". Concerning young girls' exposure to alcohol ads in magazines, researchers showed that:

> ...girls between the ages of 12 and 20 were exposed to ads for beer, ale and liquor, as often as women aged 21 to 34. [But] when it came to sweet-flavoured "low-alcohol refreshers," such as coolers, ...younger girls were 95 per cent more exposed to advertising for those products than women over age 21.

Also, children in the seventh grade exposed to alcohol advertising, if they liked the images, "increased their alcohol use in the subsequent few years", and they had "severe alcohol-related problems by grade 10". Also, there's a failure of the industry to self-regulate and a significant need for further action.

That's a 2004 study and report that came out. It sounds to me as though it's time, just as we restricted lifestyle advertising using famous people, and celebrity advertising, that we need to get on top of advertising of alcohol to children, and it sounds as though it needs an amending act. It's not that we don't have the federal authority to do it; we just haven't, as legislators, put the power in your hands to create regulations around that. Is that correct?

Ms. Karen McIntyre: Yes.

● (1620)

Mr. John Oliver: Is that something else you might like to see from this committee, then, or is it something you would encourage?

Ms. Karen McIntyre: There's the CRTC code as well, which doesn't have the force of law.

I think there are different options. We could certainly explore this in terms of what the best way is to go forward in order to address it.

Mr. John Oliver: But surely this is a health issue and belongs with Health, doesn't it?

Ms. Karen McIntyre: Absolutely.

Mr. John Oliver: It's not really telecommunications.

Is there a section of the Food and Drugs Act you think would most merit including advertising restrictions?

Ms. Karen McIntyre: It would be in the act itself. Probably, in the same way that Bill S-228 introduced a new section 7, it would be another section.

Mr. John Oliver: This was such a blatant thing. The name of this drink was FCKDUP. We know that adolescents' executive functioning is under-displayed during this cycle and that they are more inclined to risk-taking and doing things we would otherwise view as highly risky.

Here's advertising directed right at an adolescent market and geared to saying "take a risk". We have a death because of it, I think a very predictable one, and if it's predictable, it's preventable. I think it's time we got legislation in place, personally.

The Chair: Thanks very much.

That completes our seven-minute round. Thank you very much to our panellists.

We will suspend for a minute while we change panellists and go to our next panel, but thanks very much for your help in understanding this.

● _____ (Pause) _____ ●

The Chair: Welcome, panel.

We welcome Mr. Hubert Sacy from Éduc'alcool, Director General and Founder of the organization. From the Canadian Centre on Substance Use and Addiction we have Catherine Paradis, senior research and policy analyst.

I will invite Mr. Sacy to give us a 10-minute opening statement. Then we will go to Ms. Paradis for 10 minutes.

Mr. Sacy, you're up.

[*Translation*]

Mr. Hubert Sacy (Director General, Éduc'alcool): Thank you very much, Mr. Chair.

Ladies and gentlemen, thank you so much for allowing me to appear by video conference. I am very grateful to you, especially in these moments when time is extremely precious.

I will start by introducing Éduc'alcool briefly.

Éduc'alcool is a non-profit organization that has been working for 27 years to improve the relationship with alcohol of Quebeckers who choose to drink. You probably know our motto: "Moderation tastes better." The latter has become a saying in Quebec, and we are working hard to make it a way of life.

We also step in to influence the settings where alcohol is consumed. That's what it's all about today.

First of all, let me say that it is extremely regrettable that it took the death of a young girl for us to meet today to discuss this subject. Yet it was a death foretold. Since last July, warnings have been issued here and there, including by Éduc'alcool, to indicate that sugary, alcoholic beverages were dangerous. They are dangerous in their very essence, as we will see later. Now, we must look forward and hope that the death of Athéna Gervais will not have been in vain.

I want to point out that sugary, alcoholic beverages are not just alcohol and are not harmless drinks. In fact, they are dangerous drinks. Their level of danger isn't related to the percentage of alcohol or the amount of sugar, guarana, stimulant or anything chemical. I urge you not to get caught up in a discussion about the percentage or quantity of one product or another. The danger of sugary, alcoholic beverages comes from their very DNA, from conception to marketing, from packaging to promotion, from their price to point of sale. In these products, everything, absolutely everything, from A to Z, and even more, is fundamentally dangerous. The consequences are there. In 11 months, 2,300 young people aged 12 to 24 were received in Quebec's emergency departments for acute alcohol poisoning. A fifth of them were under 18 years old.

I will be very clear with you: you must not content yourselves with half measures. If the decisions taken in Ottawa or Quebec—I am talking about Quebec because I don't know the situation in the other provinces—are unclear, if they are not radical and clear, they will be skirted around by manufacturers. If you like, during the question period, I can list the many ways manufacturers of these products will managed to get around all the acts and the regulations that aren't crystal clear. If the rules are like jell-O, they will be bypassed.

We must also be consistent. Health Canada can't, on the one hand, state on its website that these beverages are dangerous and, on the other, allow them. Either they're dangerous or they're not. In this case, the products are dangerous.

You'll tell me that in the history of humanity, there have always been mixtures of alcohol and sweet or stimulating products. Irish coffee is alcohol and caffeine. Brazilian coffee is the same thing. Rum and Coke is a mix of rum, an alcohol, and Coca-Cola, a sweet and stimulating drink. As for mimosas, they are made of Champagne and orange juice. There have always been mixtures of alcohol and sugary or stimulating drinks, and there has never been a need for warnings about them. Why? Because they aren't deceptive drinks.

However, the sugary, alcoholic beverages we are talking about are dangerous because they mask the taste and effect of alcohol. People drink them without knowing that they are consuming alcohol. Stimulants mean that they don't receive messages that the body sends when they have had too much alcohol to drink.

● (1625)

Beer isn't a deceptive drink. Beer tastes like beer. The same goes for wine, Scotch and cider, but this isn't the case for sugary, alcoholic drinks. They are a public danger and must therefore be banned, period.

Of course, you're going to tell me that banning them won't prevent people from making mixes, and that's true, but when people make their own mixes, they know what they're putting in their glass. There isn't masking going on.

Our first recommendation is to ban the production and sale of sugary, alcoholic drinks containing stimulants, regardless of the level of alcohol, sugar or stimulants. These mixes shouldn't be on the market, period.

If, despite everything, you decide to authorize them, at the very least, make sure that you limit the ways in which consumers are misled, especially young people. Whether consumers of these products are young or not, lovers of one taste or another, it remains that these products are misleading, and it must be ensured that the people who consume them do not need to hold a diploma in nutrition or be licensed chemists to know what they are consuming.

Our second recommendation is that any premixed products be sold and marketed only in containers—reclosable or not, it doesn't matter—containing 13.5 grams of alcohol. So we're talking about a content equivalent to a standard glass. If anyone wants to drink more, they can buy two, three or four. There shouldn't be a single can containing the equivalent of four glasses of alcohol, as is the case now. The equivalent of a standard glass of alcohol per container is what we recommend.

Lastly, the target must be adults. The federal government has jurisdiction over packaging and labelling. However, premixed sugary, alcoholic drinks are marketed in packaging with labelling and lettering that clearly targets the very young. You need only look at one of these cans to realize that the product isn't intended for seniors. The number of young people who get this product, consume it and become addicted is huge. This problem isn't arising in the homes of the elderly, I assure you. Lettering, packaging and colours need to target adults. It's fundamental. This doesn't mean that the packaging has to be ugly, repulsive or hideous, even if it might be relevant, given what it contains. At the very least, it must be ensured that these products can't target young consumers in any way.

Our third recommendation is that the packaging, labelling and lettering for these products be clearly designed to target adult consumers and that it not be possible to market them before authorization is granted and assurance is given that only adults will be targeted.

That said, the federal government isn't the only party involved. The Quebec government also has its part to play. Some time ago, it took a step in the right direction—although it was quite insufficient, I'll tell you right off the bat—by establishing advertising and promotion controls and prohibiting the sale of products containing more than 7% alcohol anywhere but at Société des alcools du Québec stores. Unfortunately, it flatly refused to introduce a minimum price for these drinks. The minimum price was established by scientists: $1.70 per standard glass, regardless of the nature of the product. It is an effective measure to protect the young and the most vulnerable.

● (1630)

I will end there by inviting you to take action, and quickly, without dithering, without making too many nuances. Otherwise, there may be other cases like Athéna Gervais's, and if there is another, this time, no one can say that they didn't know.

Thank you very much.

● (1635)

[*English*]

The Chair: Thank you very much.

Now we go to the Canadian Centre on Substance Use and Addiction.

Ms. Paradis, you have 10 minutes.

[*Translation*]

Mrs. Catherine Paradis (Senior Research and Policy Analyst, Canadian Centre on Substance Use and Addiction): Good afternoon.

My name is Catherine Paradis, and I am a Senior Research and Policy Analyst at the Canadian Centre on Substance Use and Addiction, or CCSA for short.

The CCSA was created by an act of Parliament to provide national leadership to address substance use in Canada. A trusted counsel, we provide national guidance to decision-makers all over the country by harnessing the power of research, curating knowledge, and bringing together diverse perspectives.

One of my roles at the CCSA is chairing the Postsecondary Education Partnership–Alcohol Harms, or PEP-AH, which brings together more than a third of Canada's post-secondary institutions. In this capacity, I have been working since 2014 to gain a better understanding of the student drinking culture on campuses across the country.

Unfortunately, I appear before you today in the wake of a heartbreaking tragedy, the death of Athéna Gervais, who was found lifeless in a stream behind her high school after drinking at least one can of the beverage FCKDUP during the lunch hour.

While the situation in Quebec has highlighted the link between the consumption of highly sweetened alcoholic beverages—so-called alcopop—and the health of young people, numerous American studies have shown that the availability of these products was also associated with various legal problems, including assault, mischief, uncivil conduct, drinking and driving, and underage drinking.

I am here this afternoon representing the CCSA and PEP-AH for two reasons. First, I want to share with you our recommendation for restricting access to alcopop. Second, I'd like to propose three points that should be addressed in order to better control the sale of alcohol in Canada, more generally.

Before arriving at a recommendation, the CCSA carried out research and asked several questions. The first question that came to mind was this. Why are highly sweetened alcoholic drinks, which are so clearly harmful and dangerous, so popular with young people?

Australian researchers had already asked themselves that very question. They demonstrated that the main reasons young people consume this type of product are sugary taste, of course, but also and above all, price.

In fact, economic availability is one of the main determinants of alcohol consumption and its associated problems. Studies have shown that the higher the price of alcohol, the lower the incidence of alcohol consumption and its associated issues. Inversely, the lower the price of alcohol, the higher the consumption of alcohol and its associated issues.

At the time of Athéna Gervais' death, the price of sugary alcoholic drinks in Quebec was as low as 74¢ per standard serving, which is far below the recommended reference price of $1.71.

In Canada, it is generally accepted that the economic availability, as well as the physical availability—that is, the number of points of purchase and their days and hours of operation—of alcoholic drinks are the responsibility of the provincial and territorial governments.

However, via its excise tax, the federal government has the power to ensure that alcohol is not sold at reduced prices. Until now, sweet and alcoholic beverages, which are produced through the fermentation of malt, have been taxed as though they were beer—the alcoholic beverage with the lowest tax. If sweetened alcoholic beverages were produced from spirits, their sale price would be higher. It is worth remembering that, under the Food and Drugs Act, alcohol products are subject to the specific requirements of their manufacturing methods. This means that Health Canada could impose manufacturing methods on producers of highly sweetened alcoholic beverages.

That brings me to our recommendation.

The CCSA recommends that Health Canada require the manufacturers of alcoholic beverages having a sweetness threshold of more than 5% to manufacture their products from ethyl alcohol rather than alcohol obtained from the fermentation of malt. I realize this recommendation might come as a surprise, but it would maximize public health and safety benefits, while not disadvantaging the alcohol sector as a whole.

Allow me to explain.

First off, were highly sweetened alcoholic beverages to be manufactured from ethyl alcohol, they would automatically be subject to the excise tax imposed on spirits, rather than that imposed on beer. For example, a can of FCKDUP made from ethyl alcohol would be subject to a tax of 82¢ per can, rather than the current malt alcohol tax of 18¢. In other words, these products' economic availability would be reduced.

Second, were highly sweetened alcoholic beverages to be manufactured from ethyl alcohol, they could not be sold at convenience stores, grocery stores, or Beer Store locations. They would be available only at publicly owned outlets such as the LCBO in Ontario and the SAQ in Quebec. As a result, their physical availability would be significantly restricted.

● (1640)

Finally, by adopting the sweetness threshold as the determining criterion for the type of alcohol to use in the production of highly sweetened alcoholic beverages, Health Canada would guarantee that the new Food and Drugs Regulations would apply exclusively to highly sweetened alcoholic beverages and would not impact other product categories, including strong beer.

The idea of placing highly sweetened alcoholic beverages in a higher taxation category has been explored and, in some cases, implemented in other regions of the world, notably Australia, Germany, the United Kingdom, Switzerland, as well as a number of U.S. states.

In countries where data is available, results suggest that, following the reclassification of highly sweetened alcoholic beverages as spirits, the consumption of these products was significantly reduced. Once the new tax was adopted in Australia, it led to a 28% drop in the sales of these products. In the United Kingdom, after highly sweetened alcoholic beverages were classified as distilled spirits, the price of these products increased dramatically and sales dropped 43% over four years.

With that recommendation put forward, the CCSA would like to take the opportunity presented by this consultation to issue a reminder that alcohol is no ordinary commodity.

In a few weeks, the CCSA and the Canadian Institute for Substance Use Research will release a report on Canadian substance use costs and harms. The report will reveal that alcohol-related costs are now higher than the costs associated with all other substances, including cannabis, opioids, and even tobacco.

This illustrates that alcohol should be made available in a responsible and ethical manner in order to reduce alcohol consumption and its associated problems.

To accomplish this, the CCSA proposes that three distinct areas be addressed by the government: the advertising of alcoholic beverages, the labelling of alcoholic beverages, and the National Alcohol Strategy.

The advertising of alcoholic beverages through traditional media influences the consumption of alcohol, particularly among young people. Over the past few years, the industry has turned to social media, where content is user-generated and therefore more effective because it gives the impression that it was produced by a real person, such as a peer, another young person, or a friend.

Currently in Canada, the only code governing the advertising of alcoholic beverages is the CRTC code—the Code for Broadcast Advertising of Alcoholic Beverages—which is outdated and somewhat obsolete, having last been updated in 1996. That means the code is older than the young people consuming the very products we are talking about.

In addition, advertising on web platforms slightly violates CRTC rules. A recent study we conducted with fellow researchers at the University of Victoria found that, on the Facebook and Instagram pages of the most popular student bars, an average of seven of the 17 CRTC rules were violated.

This shows the urgent need to review Canada's regulations respecting the promotion and advertising of alcohol, as well as their enforcement.

Now I will turn to labelling.

There is a broad consensus that nutrition information should be provided on a wider range of food products, including alcoholic beverages. For the sake of their health and safety, people should know how many drinks they are consuming. Were Canada to proceed with labelling of alcoholic beverages, standard drink labels could help consumers overcome the challenge of accurately monitoring their consumption in terms of standard drinks. Such labelling would contribute to a culture of moderation, because the labels would supplement other interventions of proven effectiveness that require the monitoring of personal alcohol intake.

In order to help consumers estimate their alcohol intake and be aware of the nutrient value, including the number of calories, of the alcoholic beverages they consume, there is an urgent need to review the way alcoholic beverages are labelled.

Finally, I'd like to discuss the National Alcohol Strategy.

Reducing alcohol-related harm in Canada requires a collaborative, multi-faceted, and long-term approach. The approach needs to deploy social marketing, community education, regulation, and enforcement activities, as well as other tactics.

To address this need, in 2007, the CCSA partnered with Health Canada and the Alberta Alcohol and Drug Abuse Commission to co-chair an expert working group, which developed 41 recommendations for a national alcohol strategy. Several initiatives stemming from these recommendations have been completed, while others are currently under way. Nevertheless, 11 years have passed since the Strategy was developed. Today, we are asking you to encourage all partners, including Health Canada, to pursue their involvement and invest in updating the Strategy.

In conclusion, the CCSA recommends that the physical and economic availability of highly sweetened alcoholic beverages be restricted through amendments to the Food and Drugs Act or by requiring that these beverages be produced from ethyl alcohol and classified as spirits rather than beer.

From a broader perspective of protecting the health and safety of Canadians, the CCSA proposes that the regulations governing the advertising and labelling of alcoholic beverages be reviewed and that the National Alcohol Strategy be updated.

● (1645)

Thank you for listening.

[*English*]

The Chair: Thank you very much.

We'll go to our seven-minute round of questions, starting with Mr. Ayoub.

[*Translation*]

Mr. Ramez Ayoub: Thank you, Mr. Chair.

Mr. Sacy and Ms. Paradis, thank you both for your compelling presentations.

The purpose of the committee's study is to identify lasting solutions that the government can implement. Some recommendations were put forward back in 2007, as you mentioned. I'd also like to thank you for bringing up the fact that the CRTC rules date back to 1996.

There is no denying that, in 2018, we still have a problem. It is clear that manufacturers of these products care about only one thing: making money. It is true that, in an effort to respond swiftly and responsibly, a convenience store owner voluntarily pulled certain alcoholic beverages off his shelves because, in his view, they should never have existed. The fact remains, those products did wind up on store shelves.

What emerged clearly from our discussion with the Health Canada officials who were here before you is that the federal and provincial governments have been passing the buck back and forth. That's nothing new. What I really care about is achieving some regulatory consistency. I would like to see some consistency around product availability and drinking age, for instance. Quebec's regulations should, at least, be as stringent as Ontario's or those of another province.

You've studied the problem. What kinds of regulatory measures do you want to see from the federal government?

Of course, the provinces should be able to retain some autonomy, but there are major differences across their regimes.

As far as alcohol consumption goes, it is clear that provincial borders are porous. Young people engage in certain activities. We were talking earlier about spring break. Quebec's spring break isn't at the same time as that of other provinces. Young people go off on organized trips and drinking is commonplace.

Could you tell us, in very specific terms, how the federal government should deal with situations like these? Would you care to go first, Mr. Sacy? Then, I'd like to hear from Ms. Paradis.

Mr. Hubert Sacy: Thank you for the question, Mr. Ayoub.

My proposal would solve your problem with unbelievable ease. It would put an end to the federal-provincial bickering and make your question irrelevant. All you would have to do is prohibit the sale of these filthy products and you wouldn't have a problem on your hands. Case closed.

Now that would probably be the best solution. Barring that, any other measure would simply be a band-aid.

We aren't going to tell you to go meddling in provincial affairs, since that wouldn't be appropriate and would simply spark a turf war. Nothing at all would come of it. Consider, however, what does clearly fall under federal jurisdiction: the container. The federal government has the authority to restrict the amount of alcohol per container to one standard drink. That's a very easy thing to do and would apply country-wide. Labelling and packaging are a federal responsibility. At least do something on that front.

Yes, points of purchase are in the provincial domain. In that regard, the CCSA's recommendation that these alcoholic beverages be made from ethyl alcohol is a good one. Honestly, though, the problem would disappear altogether if the government were simply to ban them from the marketplace.

That wouldn't stop people from mixing their own beverages, of course, but they would be doing it themselves and would know what they were doing.

● (1650)

Mr. Ramez Ayoub: Ms. Paradis, would you care to comment?

Mrs. Catherine Paradis: I completely understand your concern. As someone who lives in Quebec, I can say I agree with my colleague Mr. Sacy. We are indeed disappointed that Quebec has not set a minimum price for these types of products.

Our recommendation that the government subject these beverages to the same excise tax as spirits would help achieve some consistency, at least in terms of the physical availability of these products. This would also have the effect of restricting their sale to publicly owned outlets, except in Alberta, whose privatized system makes things a bit more complicated. Another effect would be to increase the excise tax by a factor of 4.5, resulting in a minimum selling price that is consistently higher across the country.

Mr. Ramez Ayoub: How do we deal with the advertising issue? Young people are clearly the target audience. Ads promote teenage drinking, even though it's illegal to sell young people alcohol.

Perhaps the solution lies with the CRTC. Where can the federal government take regulatory action to address advertising and restrict company marketing, whether on social media or elsewhere?

Mrs. Catherine Paradis: The real focus has to be social media.

First, the CRTC's code is inherently problematic because it's voluntary. It's a set of 17 rules that marketers are supposed to follow, but, as I, myself, observed during my research on bar advertising, the code is constantly being broken without any repercussions because it's voluntary. That's the first problem.

The second problem is that the code doesn't pertain to social media. That is really where the marketing happens nowadays, targeting young people in a very sneaky way. I'm in constant contact with students on campus, and one university student told me that he drank, went to bars, and knew what was going on, so he didn't need to check the Facebook or Instagram page of a bar or an alcoholic beverage in order to be told its effects. We need to consider who the curious people are checking those Facebook or Instagram pages. It's 12-, 13-, and 14-year-olds. They are the ones looking at the ads. They are the ones getting the brunt of the advertising. It's like the wild west when it comes to Internet ads.

Finland may have the right idea. There, authorities decided to completely ban all alcohol-related advertising on social media. They did it recently, so the exact impact has yet to be determined, but we could certainly look to our Finnish counterparts for some guidance.

[*English*]

The Chair: The time is up.

Ms. Gladu.

[*Translation*]

Ms. Marilyn Gladu: Thank you, Mr. Chair. I will share my speaking time with Mr. Lobb.

I want to thank the witnesses for being here today.

I agree with Mr. Sacy. I think alcopops are very dangerous. If I drank four alcoholic beverages, I could not drive. Yet that is the equivalent of just one alcopop. I don't know what would happen if I drank two alcopops.

What do you think, Ms. Paradis? Are there statistics on accidents caused by alcopops?

Mrs. Catherine Paradis: I live in Sherbrooke, Quebec. This past year, we did a study of cases of young people aged 12 to 24 who were hospitalized for alcohol-related emergencies. That means not only intoxication, but all medical emergencies related to alcohol consumption. It could be an altercation when people are leaving a bar, a car accident, or anything related to excessive alcohol consumption. There were a lot of cases, in fact. In Sherbrooke, between 2012 and 2017, these cases occurred every two days among people aged 12 to 24.

We did a follow-up this year. We wanted to see if there had been an increase in emergency admissions for cases related to the consumption of alcopops, and those cases had indeed increased.

The problem is not just that young people get drunk. The problem is that they get so drunk that they have to go to emergency. It is noteworthy that 25% of these young people admitted to emergency wards are a code 1 or code 2, which means that their life is at risk. They are not just drunk; it is much more serious than that. Further, 57% of the young people admitted to emergency wards in Sherbrooke had experienced complications.

● (1655)

[*English*]

Ms. Marilyn Gladu: Would you agree, then, that we should just prohibit these drinks with this amount of alcohol and sugar?

[*Translation*]

Mrs. Catherine Paradis: What worries me about a total ban is that the industry has always been made up of very clever people. I have colleagues at Health Canada who would say that, even if we ban sugar or caffeine, people in the industry would find other substances to mask the taste of alcohol. So we would end up with the same problem.

I have to answer you as a scientist. I have been doing research on alcohol for 25 years. The main determinants of excessive consumption are affordability and physical access. I am inclined to say that this is where we need to take action. In my opinion, all these issues regarding sugar and caffeine are just distractions. Athéna Gervais was not found in a stream behind her school because of too much sugar or too much caffeine, but rather because she had close to 100 grams of alcohol in her blood. It is the alcohol that we need to address.

[*English*]

Ms. Marilyn Gladu: Yes, and I also agree with what you've said about increasing the price to try to discourage people. If you think about it, an alcoholic drink must be far cheaper in Quebec, because here in Ontario we think it's a cheap drink if it's $4 or $5 for one drink, and the four drinks here cost just about three bucks, didn't they? I think there is something to be said for increasing the price.

Do you agree that they should limit the quantity? Earlier, Health Canada said maybe the thing to do would be to restrict it so that there was only one serving of alcohol per can, so that you'd have to buy more cans. Do you think that's a good idea?

I'll ask both of you.

[*Translation*]

Mrs. Catherine Paradis: Would you like to say something, Mr. Sacy?

Mr. Hubert Sacy: Yes. That is exactly what we recommend: the packaging and containers themselves must indicate the quantity of alcohol in the products. In other words, if people want to consume the equivalent of one alcoholic drink, they can buy one can; if they want the equivalent of two alcoholic dinks, they can buy two cans. At least people would know what they were doing that way.

Let me reiterate that the problem with these beverages is not that they contain alcohol. There is alcohol in all alcoholic products. The problem is that these drinks are deceptive because they mask the taste of the alcohol.

This is a problem for young people, but also for older people. We conducted tests on people aged 30 to 50. We had them drink these products. I will spare you their comments on the taste. In terms of the effect, however, they said they consumed a full can without even realizing that it contained alcohol. Yet these were informed consumers of alcohol, that is, people who are familiar with alcohol.

To the extent that consumers are being tricked by the product itself, the best solution—and I apologize for harping on this like an advertiser would—is to ban the product. It is that simple. Simply eliminate products that are not beer, wine, spirits or cider. We have to let people mix their own drinks, period.

[*English*]

Ms. Marilyn Gladu: Very good.

I'll pass my time to Ben Lobb.

The Chair: You have two minutes.

Mr. Ben Lobb: I can't really disagree, if you want to make the cans smaller. If you want to reduce the alcohol percentage from 11.9% to 5%, they can do that through regulation.

I find it ironic, though.... It's a terrible tragedy, and I should have first stated that. I feel sad for the child involved and the family. It's a terrible situation.

That being said, I find it ironic, though, given our last bill, which we just passed here, that it leaves all the work up to regulation by Health Canada, and yet five minutes later Health Canada is here and they're saying, "We have the regulation, but now we need your help to change it." The regulation, however, never caught the issue. That's my opinion on it.

What I will say is, we can change the issues around the alcohol and the cans, etc., but if you talk to a police officer, and I know many, the shape of a can or the colouring on the can is not the issue among our youth. The issues among our youth are drugs: hards drugs, illicit drugs, illegal drugs.

I'll go back to one example. Years ago on the health committee I was talking to a group of dentists. The dentists will still prescribe T3s to children under 18; they'll prescribe other drugs to children who are under the age of 18. You don't hear much about that. They give away Naloxone kits in Ontario for free because kids go to parties and overdose, and they shoot themselves with Naloxone kits.

The issue we're talking about here today is obviously 100% serious. However, there are so many other ills in society today that would be of greater significance by multiple factors, and issues around this.

I made issue about access for kids, or the desirability among kids. Talk to any parent with teenagers, and I'm not sure these are the issues. The parents are scared to death about their kids taking OxyContin, cocaine, crystal meth, carfentanil, marijuana, hashish, and these are quite a lot more accessible than a king can of beer in a liquor store. You could go down the street here to the bus stop by the mall and get any drug in the world you'd ever want for a fraction of the cost of a king can, as far as I can tell.

I understand we have issues here. The other issue that I think Health Canada will be tasked with and that is of significance is how many drinks there are—

Okay, we're over time. I'll conclude another time.

● (1700)

The Chair: Thank you very much.

Mr. Boulerice, you have seven minutes.

[*Translation*]

Mr. Alexandre Boulerice: Thank you, Mr. Chair.

I want to thank Mr. Sacy and Ms. Paradis for their presentations, which were both informative and at times impassioned.

Ms. Paradis, I understand the shell game you want to play by using the excise tax to affect the price of these drinks and young people's access to them. Yet a Health Canada official who spoke before you said that the regulatory changes seem to go in two directions: reducing the size of the can and reducing the alcohol content. If the alcohol content is 4.9%, requiring the industry to use ethyl alcohol in order for the product to be subject to the excise tax on spirits will not work.

Mrs. Catherine Paradis: Actually, our recommendation pertains to the sugar content and not the alcohol content.

A beer or a strong beer, regardless of the alcohol content, never has more than roughly 4% sugar. Products such as FCKDUP, which Athéna Gervais had consumed, have 11% sugar.

We recommend that sugar content be a criterion that dictates a production method. A very sweet product would therefore have to be made using spirits. It would then be subject to a higher excise tax and would be sold only in government outlets.

Mr. Alexandre Boulerice: Okay, I understand. The limit applies to the sugar content.

Mrs. Catherine Paradis: Exactly.

Mr. Alexandre Boulerice: I wasn't sure.

Mr. Sacy, we understand your position very well: you said you would like these deceptive and dangerous products to be completely banned. You also seem to be saying—although we are not moving in that direction—that we should agree on certain things and make certain amendments.

You mentioned packaging. I agree with you, but I wonder how we as legislators or the Health Canada officials who draft the regulations can ban fluorescent pink and florescent yellow, but allow brown and orange. I would like to hear your thoughts on that.

Mr. Hubert Sacy: I will try to explain it.

There are already regulations on packaging. They differ from province to province, but they do exist. I will give you a few examples that are easy to understand: cartoons and characters from fables, legends or stories cannot be used on the packaging for alcohol products.

I remember a Norwegian beer that featured little elves on its packaging. In Norway, there are drawings of little elves on beer labels at Christmas time. When the product arrived in Canada, there was a problem with that here. So there are ways to properly regulate product labelling and packaging.

To take it to an extreme, although I am not an expert in the field, I would simply say that you can stipulate in an act or regulations the colours that may be used. There would be a list of the colours allowed or clear guidelines on typography, the type of lettering, and the size of lettering, which already exists in a number of places. Once again, it does not have to be ugly, hideous, horrible or repugnant.

If you gave me a week, I could send you draft regulations that would at least limit these things through proper guidelines.

There are already guidelines on packaging and labelling. They just have to be refined. At worst, to be cautious, we could always use neutral packaging. That already exists for other products. In many supermarkets and elsewhere, there are products with neutral packaging that are very clearly labelled. I am not saying we have to do that. Honestly, we are not experts, but if you give us a week, we will find some solutions.

● (1705)

Mr. Alexandre Boulerice: Thank you.

Ms. Paradis, I'm glad you mentioned that the CRTC voluntary code is outdated. It has not been changed in 22 years. Apart from it being old, the CRTC has no jurisdiction over the Internet or social media. The code is a complete throwback. It was developed at a time when we had rabbit ears on our TVs. Actually, I am sure than many young people would not even know what I mean by "rabbit ears" or TV antennas. Giving the CRTC jurisdiction over the Internet is huge. I am looking at my Liberal colleagues opposite to say that this might be a good idea.

I will now move on to something more technical. You both talked about the recommended reference price of $1.71. That is a lot for young people and students in terms of access to alcoholic beverages, their sale, and purchase.

Where does this $1.71 price come from? It is a very specific amount.

Mrs. Catherine Paradis: At the CCSU, a working group that grew out of the National Alcohol Strategy produced a document that I could provide to you.

[*English*]

The title of the document is "Social Reference Prices for Alcohol".

[*Translation*]

Based on various simulations, in 2009, the researchers found that $1.50 was an amount that led to better control of alcohol consumption without too many harmful effects. That amount was $1.50 in 2009, or $1.71 in today's dollars.

Mr. Alexandre Boulerice: Very well. Thank you very much.

[*English*]

The Chair: Thank you very much.

Now we go to Dr. Eyolfson.

Mr. Doug Eyolfson: Thank you both for coming today.

First I'll ask both of you your opinion on this.

For a number of years, the forms of alcohol you can buy have been changing. I'm still old enough to know that all you ever got in a 12-ounce bottle was beer. Then, I think in the 1980s, they started announcing what they called "coolers". Now there are more and more of these drinks for adults that are various combinations of different liquors and lots of sugar and fruit flavours.

Has the development of these kinds of drinks contributed to the development of this product we're talking about today?

First I'll ask Mr. Sacy.

Mr. Hubert Sacy: Yes, I will try to answer you as well as I can.

It is true that the industry is adjusting its product in order to reach new customers—mainly women, for instance, for whom they have created some very easy-to-drink products. This is okay as long as the product is fair and honest. When you have sections in various state-owned, government stores....

You know, the different between a government-owned store and a grocery store is extremely simple. If you go to an SAQ or an LCBO store, you know you're buying alcohol, because that's all they have. When you go to a grocery store, you may go to buy chocolate or milk or a newspaper or whatever, and—oh, by the way—there's also alcohol.

The place is quite important in itself, because the place sells itself to the customer: "here there is alcohol", and anything you can buy here, except the bag, is alcoholic.

That's one item of clarity and clarification. Number two is, it is true that it's more convenient to have already-made sangria. That's right, but when something starts as something useful and turns with time into something that becomes dangerous, then we should act on it. We can find some boundaries that will set the record straight again for the consumers.

We're not talking here about the prohibition of alcohol; we're just saying that it should be framed appropriately, controlled, whether by the place or by the product or by the promotion or by the price. The four Ps of marketing should apply here.

● (1710)

Mr. Doug Eyolfson: Thank you.

Ms. Paradis, do you have anything to add to that?

[*Translation*]

Mrs. Catherine Paradis: While the alcohol industry has been extremely creative in recent years, I also think the government and its public health and public safety officials have made it easy for them. The industry has been given much more space, places, times, and locations to offer and sell us all their products. People can now have a beer while they are doing yoga or running a marathon. Alcohol is available everywhere you go. We have to rethink this.

As a result of some of our laws becoming more lax, we now have a society that some people consider "alcogenic".

[*English*]

Mr. Doug Eyolfson: All right. Thank you.

Mr. Sacy, you made reference to this, that when it's a liquor store, you know it's liquor because that's all that's there. You have it in grocery stores now, and I know it's become more and more popular. In all the provinces there's a move to adding some of these alcoholic products to convenience stores, to grocery stores.

We heard that this young girl who died had stolen this bottle from a convenience store. It might be assumed that she would have been more noticed had she been in a liquor store, because she's not supposed to be there.

Should there be a move to taking these products back out of the grocery stores into liquor stores, or should at the very least the liquor in these stores be in a special section that is not accessible to children?

Mr. Sacy.

Mr. Hubert Sacy: If I may, I will try to answer you on this.

If you want to be assassinated, just say so and promote the idea.

In Quebec in 1977 or 1978, wine was made available overnight, going from the 400 SAQ stores to 13,800 grocery stores, and it didn't create any problems in that regard. Why? It's because wine tastes like wine; beer tastes like beer.

Of course, when we talk about these products that don't taste like alcohol, this is the reason they should be at least limited to the state-owned stores, because all they sell is alcohol, on the one hand.

Second, this young woman would have never gone to a state-owned liquor store. They never go there anyway. Why? It's not because the grocery stores are horrible guys who sell to minors and have no social conscience. They don't go there because they have nothing to do there. They can't even walk three steps before being kicked out. When you go to a depanneur or a grocery store, you may go there to buy any other thing.

On the other hand, let's face it. Everywhere on planet Earth when there is research on drinking patterns and drinking habits, all research starts at the age of 15. If you ask people "who drinks, how much do you drink, etc.", all research starts at the age of 15, not because it's legal to buy alcohol at the age of 15—it's illegal everywhere—but everybody knows that one way or the other, at the age of 15 most of them have already tried alcohol, either because an adult bought it for them, or they stole it, or whatever. It's just that they have access to it, and this is why they need to be protected.

Last but not least, and it's quite important, when we talk about a reasonable price—we said $1.70 and Catherine said $1.71, but let's not discuss one cent, for we can settle that wherever you want—the main thing is that the price should be fair.

Please, let nobody tells us that if we increase the price too much we will have contraband and booze-levying, etc. It is true, but what we're talking about here is the minimum price; we're not talking about raising the price of all products. Just never go below what we are talking about

● (1715)

Mr. Doug Eyolfson: Thank you very much.

The Chair: Your time is up. That completes our round with this panel.

I have one question for Dr. Paradis. What is the difference between ethyl alcohol and malt alcohol?

Mrs. Catherine Paradis: Malt alcohol is produced from the fermentation of malt from grain, while ethyl alcohol is what we currently know as spirits. They are different types of alcohol that are subject to different types of excise tax.

The Chair: Where does the ethyl come from?

Mrs. Catherine Paradis: I think I would have to ask my colleague in the back from Spirits Canada to answer that more precisely. I'm not the chemist here.

The Chair: That's good. Anyway, I want to thank the panellists for their contribution today. We're going to suspend for a couple of minutes, and then we'll have our third panel in place.

●

_____ (Pause) _____

●

● (1725)

The Chair: We'll resume our meeting on premixed drinks.

On our third panel we have from Spirits Canada Jan Westcott, president and chief executive officer, and C.J. Helie, executive vice-president. From Beer Canada we have Luke Harford, president, and as an individual we have Dr. Martin Laliberté, emergency physician and toxicologist, McGill University Health Centre.

We're going to start with Spirits Canada with a 10-minute opening presentation.

Mr. Jan Westcott (President and Chief Executive Officer, Spirits Canada): Thank you, Mr. Chair.

I'm Jan Westcott, the President and CEO of Spirits Canada. To my colleague, C.J. Helie, our Executive Vice-President, go all of the hard questions, just so we're clear.

Thank you very much for taking time to hear us. We'd like to share our views and experiences related to the sale of certain beverage alcohol products, products somewhat loosely referred to as highly sweetened, high-alcohol beverages sold in single-serve containers for immediate consumption.

Spirits Canada is the sole national organization representing Canadian spirits manufacturers, marketers, exporters, and consumers. Spirits Canada members adhere to a strict industry code of responsible advertising and marketing. Our code of conduct was recently updated to explicitly include all forms of digital activities, including social media sites. Our social responsibility code is rather comprehensive and deals with all aspects of the business, including those related to mixing or promoting alcohol with energy drinks, therapeutic claims, or appeal to youth.

We have provided the clerk with some copies of our entire code of conduct for referral by those interested.

The issue, of course, is that not all alcohol producers or marketers adopt such high standards of behaviour. In fact, some companies view themselves as market disrupters and build their entire business plan on bringing products into the market that push the envelope, and then choose to advertise and promote them in a manner inconsistent with established norms of socially responsible behaviour.

I'd like to begin my detailed comments with the issue of caffeine and its association and use in beverage alcohol.

Unlike the case in many other jurisdictions, products described as either caffeinated beverage alcohol products or alcoholic energy drinks have not been a significant health or safety problem in Canada.

Almost a decade ago, Health Canada, alcohol manufacturers, and provincial liquor boards came together to adopt a range of measures within their respective spheres of responsibility and competence to address this emerging health threat at its very inception. I won't go into all the collaboration and hard work and good will demonstrated by all parties in that challenging period, but I think it's important to summarize a few of the key outcomes.

One is that Health Canada banned the sale of alcoholic energy drinks in Canada.

Two, the Canadian Association of Liquor Jurisdictions—all the liquor boards—and individual liquor boards adopted a maximum voluntary limit of 30 milligrams of caffeine per serving in any alcoholic beverage. To be clear, no caffeine whatsoever can be added to an alcoholic beverage in Canada unless any level of caffeine is due to the use of an ingredient with naturally occurring caffeine, such as chocolate, coffee, tea, carbonated beverages such as a cola—the classic rum and cola, for example.

Three, we undertook education and server training efforts to discourage the self-mixing by consumers of energy drinks and alcohol by individual consumers in their homes or in bars, and we forbade the use of any of our brands in any joint promotion with an energy drink.

The results of these measures have been very effective. Laboratory testing of products reported in the media as caffeinated alcohol products has shown them to contain very little caffeine whatsoever.

It seems clear, however, that there have been a number of beverage alcohol drinks available in Canada in recent years that convey the impression that they are in fact alcoholic energy drinks. It's also clear from our perspective that CFIA and provincial regulators chose to take very little enforcement action against such false and misleading claims, despite numerous representations by both us and other interested parties.

Canadian consumers have seen on liquor board shelves—and more typically private store shelves—products using the same brand name and imagery as energy drinks, products with labels and packages with performance claims such as "a source of energy", or have seen claims that a company's alcoholic beverage had "the kick of an energy drink" on a corporate website.

The unfortunate consequence of the lack of effective enforcement against such false and misleading claims, in addition to the fraud perpetrated on the consumer, is that its effect has been to undermine concerted communication efforts to warn consumers of the health risks associated with the mixing of energy drinks with alcohol.

The presence of such products on the shelves of liquor stores conveys the impression that alcoholic energy drinks are in fact legal and authorized for sale in Canada and thus safe for Canadians to drink. They're not.

Many health officials have identified a distinction between products such as Four Loko and...I'm just going to call it the Freddy, because I'm not going to say that here, versus other higher-alcohol products with relatively high sugar levels.

● (1730)

As we have just discussed, and contrary to some media reports, it is not the elevated levels of caffeine that are the real concern.

World-renowned icewines, Canadian icewines, and many spirituous liqueurs also have elevated sugar and alcohol levels but do not raise elevated health risks.

We should perhaps take a few moments to talk about the manufacturing processes used to produce these products, the ones that are of concern to health officials.

Historically, the only cost-effective method on a commercial scale to produce pure and more concentrated alcohol.... By the way, my colleague from the CCSA misspoke a bit. Ethanol is ethanol is ethanol. It doesn't matter whether you make beer first, whether you make wine first, or whether you make spirits. We in fact start with beer. Ethanol is ethanol.

Historically, the only cost-effective method on a commercial scale to produce a pure and more concentrated alcohol than that obtained solely through the fermentation of grapes, fruits, or cereal grains, which is our case, was distillation. You couldn't do it any other way except distillation.

However, with the very considerable incentives to have products classified as either a beer, a cider, or wine, for policy purposes manufacturers have looked to mimic the effects of distillation through other means, and they've been very successful in achieving this. Producers can now treat their fermented base goods to one or more non-traditional additional processes, such as reverse osmosis, crystallization, ion exchange, centrifugation, and ultra-filtration, to obtain a neutral, higher-alcohol product.

To this concentrated alcohol base, any flavour compound whatsoever can be added to produce a final beverage product, so a product like Four Loko or FCKDUP is born and, because it is at least ostensibly malt-based, is provided access to corner stores and, in some markets, to grocery stores, benefiting from a much lower tax and minimum price than those imposed on spirits products, the latter having been produced through distillation.

In Quebec, rather astonishingly, these products were actually subsidized by the government through a reduction in that province's specific tax on alcohol that was made available to smaller-scale local producers.

We note with sorrow that the Government of Quebec's own expert had advised them in 2015 to eliminate the subsidy, noting that "the specific tax on alcoholic beverages was implemented to take into account the negative externalities that alcohol consumption"—over-consumption—"can engender and such externalities"—people using them improperly—"exist for both small and large producers". Whether you're a big producer or a small producer, how the consumer is using the product doesn't change.

Hopefully, now that the Supreme Court of Canada has ruled in the recent Comeau case that such protectionist schemes are unconstitutional, Quebec will withdraw such financial support for products like these.

At this point in the brand creation process, a producer would have a product that would normally be classified—at least in Canada—as a "flavoured malt beverage"—a "beer blend" under Quebec's alcomalt regulation.

The most dangerous health and safety issues associated with brands like Four Loko and FCKDUP are largely linked to corporate decisions that followed the creation of the "liquid" itself, as I described above.

First, there was the very unfortunate decision to package the product in a large-volume, single-serve, non-resealable container that encouraged immediate consumption of the entire contents, a package that contained more than four standard drinks. In Canada, we define a standard drink as one that contains 17.05 millilitres of pure alcohol, whether that alcohol comes from beer, wine, or spirits. Moreover, the recommended daily limit under Canada's low-risk drinking guidelines is for no more than two standard drinks for women, and three for men. Thus, a single container designed for immediate consumption contained more than the daily limit for either a man or a woman.

In closing, I wish to address the tragic circumstances related to the death of the young Quebec teenager. Details are still scarce, but we do wish to extend our sympathies to the family and friends of Ms. Gervais.

There were a number of errors that may have contributed to the final outcome, including by the producer, who now admits it was a mistake to introduce a product such as FCKDUP into the market; those retailers that not only listed the product, but in fact showcased and promoted the product in huge displays at deeply discounted prices; and, the provincial regulator, which chose not to enforce the relevant sections of the liquor advertising regulations that prohibit advertising that induces a person to consume alcoholic beverages in an irresponsible manner.

We have four specific recommendations—this keeps changing—as follows.

One, Health Canada should prohibit the use of the brand name of an authorized energy drink by any alcoholic beverage.

● (1735)

Two, in recognition of the opening of new sales channels outside liquor boards, Health Canada should formalize by regulation or industry guidance the maximum 30 milligrams per serving of caffeine in alcoholic beverages.

Three, all beverage alcohol labels and packages sold through private sales channels, including manufacturer on-site stores, should be subject to provincial regulatory review prior to entering the market.

Four, the elimination of exemptions for small producers for all federal or provincial health or safety regulations or policies should be eliminated. We note with concern, for example, that some differentiated health and safety standards have been proposed by Health Canada for smaller-scale recreational marijuana producers.

Thank you.

The Chair: Thank you.

Now we go to Beer Canada, with Mr. Harford.

Mr. Luke Harford (President, Beer Canada): Thank you, and good afternoon, Mr. Chairman and members of the committee.

My name is Luke Harford. I am the president of Beer Canada, the national voice of beer. I appreciate the opportunity to appear here today to provide input into the committee's study on premixed drinks combining high alcohol, caffeine, and sugar content.

As members of the committee are aware, Health Canada, on March 23, 2018, issued "a notice of intent to amend the Food and Drug Regulations to restrict the amount of alcohol...in highly sweetened alcoholic beverages sold in...single-serve container[s]". Beer Canada is working alongside Health Canada to assist through the consultation process and will be making a submission by the May 8 deadline.

My comments today are drawn from what at this point we plan to submit to Health Canada.

Health Canada's proposal, as outlined in the notice of intent, attempts to address products that we believe could have and should have been restricted—or even prohibited—under existing provincial policies and regulations. For example, one of the alcohol beverages that triggered the notice of intent was being advertised on billboards and in stores as having four drinks in one can. As my colleague at Spirits Canada mentioned, Quebec currently has laws in place that prohibit the advertising of alcoholic beverages that induces a person to consume alcoholic beverages in an irresponsible manner. I have copies of one of the displays on a bus shelter that was advertising the product in question.

The Government of Quebec has also taken additional action. As noted in the notice of intent, Quebec has announced proposed legislative changes to ban the sale of mixed malt-based products with more than 7% alcohol from private stores. The product I referenced earlier, which was being promoted as having four drinks in one can, had an alcohol concentration of 11.9%.

Health Canada has made it clear that it does not intend to propose regulations that would inadvertently capture liqueurs, dessert wines, and other sweet alcoholic beverages sold in resealable containers. We have looked at a variety of attributes that, when combined, will address Health Canada's goal of reducing the health and safety risks associated with high-alcohol, highly sweetened beverages sold in single-serve containers, without inadvertently capturing non-problematic products.

Beer is generally low in sugar and alcohol content. The sugars derived from malt and barley and other grains provide the energy source the yeasts use to create alcohol and carbon dioxide during fermentation. The low-sugar characteristic is one of the attributes that will be used to define beer objectively under the modern definition of beer, which the Canadian Food Inspection Agency is committed to bringing forward by an amendment to the food and drug regulations this spring. This is an amendment that we have been working on with the government since 2013 and we hope to see completed by the end of the year.

The amended definition of beer will stipulate a maximum sugar threshold of 4% by weight for products labelled, packaged, advertised, and sold as beer in Canada. The sugar content, or sweetness of a product, is not necessarily a problem in and of itself. There are products that fall under a regulated standard of identities, such as icewines and liqueurs, that have high levels of sweetness and that have been produced, marketed, and retailed responsibly for generations. Health Canada acknowledges this in its notice of intent by proposing to tie the alcohol strength restrictions to other attributes, such as container type.

We are suggesting that Health Canada could exclude most of these traditional products by restricting the amount of alcohol in products that are over a certain sweetness threshold and do not fall under a standard of identity in the food and drug regulations. Given these conditions, Health Canada's approach could be to restrict the amount of alcohol in non-standard alcoholic beverages over a certain sweetness threshold, and that are sold in a single-serve container, without unduly restricting non-standard beverages that do not promote over-consumption or appeal to youth. Health Canada has advised that the product that triggered the notice of intent contained approximately 10% sugar. It may make sense to establish an alcohol-restriction threshold at this level of sweetness.

● (1740)

Health Canada aims to restrict the amount of alcohol in highly sweetened alcoholic beverages sold in single-serve containers, and is therefore looking for input on what level to set the alcohol strength restriction to. There has been some indication that Health Canada may look at establishing the restriction based on the number of standard drinks in a single-serve container.

A standard drink is an academic concept, a mathematical construct based on a 341-millilitre bottle of beer at 5% alcohol by volume. Internationally, there is no common, standard drink definition. In Canada, it's 13.5 grams of alcohol. In Australia, it's 10 grams. In the U.K., it's eight grams, and in the U.S., it's 14 grams. In Japan, it's 20 grams.

It is a reference amount of alcohol that provides the foundation for low-risk drinking guidelines for education. It says nothing about how an alcoholic beverage is typically consumed, and it assumes that the alcohol in every alcoholic beverage is consumed in the same manner and digested at the same rate.

An alternative approach would be to restrict the amount of alcohol permitted in a single-serve container to a maximum of 30 grams of alcohol. For comparison, the product that triggered the notice of intent contained roughly 53 grams of alcohol, so 70% more. At a 30-gram maximum, the 568-millilitre container this product was sold in would have had 7% alcohol, not 11.9%. In combination with narrowing the focus to highly sweetened and non-standard alcoholic beverages, these regulations could identify the maximum alcohol content permitted by size of single-serve container—so a range of different container sizes.

There has been some discussion on applying the restrictions only to malt-based or grain-based products. Setting a restriction based on the source of alcohol will be insufficient. It will restrict innovation among responsible manufacturers while being easily circumvented by those that are not. Alcohol can be extracted from a fruit-based product in much the same way as it can be extracted from a grain-based product. Cider and wine are examples. Health Canada will find itself no further ahead by setting a restriction based on the source of alcohol in a product.

It is Beer Canada's opinion that the products that triggered the notice of intent are already addressed or would more appropriately be addressed under provincial policies and regulations. Highly sweetened products are not a problem in and of themselves. For this reason, Health Canada is looking to combine high-sweetness attributes with additional criteria when setting a restriction on alcohol strength. In addition to sweetness criteria, the regulations should apply only to non-standard alcoholic products. This will prevent the regulations from capturing icewines, liqueurs, and other such products.

Bringing together the attributes of an alcoholic beverage being highly sweetened—for example, 10% sugar content—non-standard, and packaged in a single-serve container, the regulations could restrict alcohol strength to a maximum of 30 grams per single-serve container. Beer Canada believes that these attributes in combination will help to achieve the regulatory objectives of Health Canada.

Thank you, Mr. Chairman.

The Chair: Thank you.

Now we will go to Dr. Laliberté.

Dr. Martin Laliberté (Emergency Physician and Toxicologist, McGill University Health Centre, As an Individual): Mr. Chairman, I would like to thank you and the members of the committee for giving me the opportunity today to share my views and concerns on the topic of premixed drinks combining alcohol, caffeine, and sugar.

I'd like to introduce myself. I am an Emergency Physician and Medical Toxicologist. I work at McGill University Health Centre in Montreal. I'm an assistant professor of medicine at McGill University. I'm a consultant in medical toxicology for the Quebec Poison Control Centre. I'm also a consultant at the coroner's office for the Province of Quebec. I'm the past president of the Canadian Association of Poison Control Centres. I appear today as an individual. The opinions expressed are personal.

The Government of Canada should be commended for addressing the health risks associated with the use of premixed drinks combining high alcohol, caffeine, and sugar. These drinks are associated with an unacceptable risk of toxicity when used by young people. The topic of alcohol abuse in Canada—more specifically, alcohol abuse in teenagers and young adults—is both complex and concerning.

The negative consequences of alcohol abuse in teenagers and young adults are very well documented. Impaired driving, risky behaviour, physical violence, and injuries from falls and motor vehicle accidents are just a few examples. Alcohol abuse has a long and unfortunate track record of leaving behind broken relationships, broken families, and broken lives. Every emergency physician I know across this country can testify to the negative consequences of alcohol abuse. We are in front-row seats to witness their occurrence.

Alcohol is everywhere in our lives. Wine is served at family reunions. Beer is available at sports events. Cocktails are enjoyed at social gatherings. Champagne is the symbol for celebration. As a result, inevitably, teenagers and young adults will sooner or later be exposed to alcohol, with a majority of teenagers experimenting with alcohol long before reaching the legal age for drinking. The question isn't whether or not teenagers will use alcohol; the real question is when and how they will. We must collectively take appropriate action to delay drinking in teenagers for as long as possible. We must also educate young people on drinking responsibly, with moderation.

Mixed drinks with high alcohol content are very unlikely to help us achieve these goals. Many emergency physicians, including me, feel that the growing popularity of mixed drinks with high alcohol content represents a significant public health problem, and their increasing prevalence on the Canadian market should be a cause for concern. Every year, thousands of teenagers and young adults are admitted for alcohol intoxication in emergency departments across the country. As you have heard, in 2017 alone more than 2,300 were admitted in the province of Quebec only, with one-fifth of them less than 18 years old. Although it is currently not possible to precisely evaluate the proportion of the emergency department visits that are related to the use of mixed drinks with high alcohol content, it is very likely significant.

The problems associated with mixed drinks combining alcohol, caffeine, and sugar have already been well identified by many experts here today. Let me summarize them again in six points, using plain language, describing the typical container: one, the can is too big; two, there's way too much alcohol in the can; three, the high sugar content masks the taste of alcohol; four, the can is too cheap; five, packaging and labelling is appealing to teenagers; and six, marketing strategies target young people.

The combination of large volume and high alcohol concentration means that the total amount of alcohol in each container is excessive. The amount of alcohol in one container can be equivalent to four standard drinks. That's enough alcohol to induce inebriation in an inexperienced drinker. The ingestion of two or three containers will send a teenager to the emergency department. The high sugar content and flavouring additives are appealing to young people and will mask the taste of alcohol. The sweet taste will exacerbate the tendency of rapid and uncontrolled drinking by young people with no drinking experience.

● (1745)

These drinks are inexpensive and widely available. They can usually be bought for less than $5.00 per container, allowing easy and affordable access to alcohol for young people. Containers are made colourful. They are designed and labelled to maximize the effect on young people, using high-impact and provocative language. Marketing strategies targeting a young crowd were set up by the industry with few ethical considerations. The use of social media and the Internet, as well as advertisement on university campuses, are just a few examples.

Mr. Chairman, last October I was asked by CBC in Montreal to do an interview on the dangers of combining drinks with high alcohol content, and energy drinks with caffeine. I wanted to see for myself if these products were available and easy to buy, so I took a walk from my house to the convenience store in my neighbourhood. There, I bought a can of approximately 600 millilitres of a mixed drink containing 11.9% alcohol, and I paid $3.99. That store is located approximately 200 metres away from my 11-year-old daughter's school.

These drinks present a high risk for the young population, and the negative consequences are highly predictable. I would go as far as saying that the risks they present are unacceptable.

With regard to caffeine, we know that mixing caffeine with alcohol should be prohibited, and promoting their simultaneous use should be strongly discouraged. When mixed with alcohol, caffeine will energize the drinker. It will increase the desire to drink, increase the pace of drinking, and it will make the drinking experience more pleasurable. As a result, more alcohol will be ingested when used with caffeine, and the risk for harm will be increased.

While it is already illegal under the Food and Drugs Act to add caffeine in its chemical form directly to alcoholic beverages, the use of natural sources of caffeine such as extracts from the guarana plant are permitted and largely unregulated. It should be reminded that all plant extracts cannot be assumed to be safe just because they are natural.

I would like to propose the following amendments to the food and drug regulations.

One, the volume of a non-resealable container and its alcohol content should be limited to the equivalent of one standard drink.

Two, a minimum selling price for drinks containing alcohol should be established, with the objective of limiting access to teenagers.

Three, packaging and labelling of drinks containing alcohol should be regulated, with the objective of promoting responsible drinking.

Four, publicity and marketing activities for drinks containing alcohol aimed at teenagers should be prohibited.

Five, the amount of caffeine from natural extracts in drinks with alcohol should be regulated and monitored as well.

If you would allow me, I would like to take a few minutes towards the end of my intervention to talk to you about kind of my baby project, to a certain extent, when I was president of the CAPCC, a project called the Canadian surveillance system for poison information. As I stated previously, I was past president of the Canadian Association of Poison Control Centres.

My years at the head of the organization taught me the importance of product safety as well as post-marketing surveillance. Consumer products should be designed with safety in mind, and once they are put on the market, every effort should be made to collect information looking for possible risks for human health or safety.

Although not considered consumer products under the Canada Consumer Product Safety Act, the same principles of safety and surveillance should also apply to mixed drinks with high alcohol content. An effective post-marketing surveillance strategy must be built on access to reliable information from different sources. That is not currently the case.

It's currently not possible to precisely evaluate the number of calls to Canadian poison centres or emergency department visits across the country that are related to the use of mixed drinks with high alcohol content. This information is just not currently collected.

Data collected by Canadian poison centres can be a valuable source of information. Poison centres have an important role in detecting and responding to major time-sensitive public health problems. Surveillance systems are required for post-marketing surveillance of consumer products like the one we are discussing today, as well as a very long list of others, including pharmaceutical and health products, controlled substances, industrial chemicals, as well as agents of concern for criminal acts and terrorism. Poison centre data is not currently aggregated, analyzed, and interpreted at a pan-Canadian level.

● (1750)

In fact Canada is the only G7 country that does not have an a national poison centre surveillance system that can provide evidence-based data to inform prevention, treatment, and harm reduction. Let me reassure you that help is on the way. The Canadian surveillance system for poison information initiative was established in 2014 through collaboration between Health Canada, the Public Health Agency of Canada, and the Canadian Association of Poison Control Centres. The surveillance system is currently being developed and will eventually offer the possibility of generating data in real time to better protect Canadians.

I would respectfully ask the members of the committee to take action in order to ensure that the Canadian surveillance system for poison information initiative is appropriately funded and sustained over time.

Once again, in conclusion, I would like to say that the Government of Canada should be commended for addressing the health risk associated with the use of mixed drinks with high alcohol content. I'm actually quite confident that your committee will have the leadership to take all the appropriate actions to better protect young Canadians.

Thank you very much for your attention.

● (1755)

[*Translation*]

I am ready for your comments and questions.

Thank you.

[*English*]

The Chair: Thank you very much to all of you for your presentations. They are very helpful to us.

Now we're going to go to our seven-minute round, starting with Mr. Ayoub.

[*Translation*]

Mr. Ramez Ayoub: Thank you, Mr. Chair.

I want to thank the four of you for being here.

It is unfortunate that there had to be an accident for us to examine this issue.

We have listened to your testimony today, and to that of specialists and people from the industry. The more testimony we hear, the more we realize that the problem is much more serious that it seems at first glance. As you said, alcohol is present in our society, every day, and in every way possible. Not only is it present, but it is also promoted, and that includes various things such as our behaviour and gathering habits.

Ms. Paradis, who spoke earlier today, essentially said in concluding her presentation that the availability of alcohol to a large extent encourages excesses and uncontrolled consumption. I would like to draw a parallel. Our committee considered a bill to control the consumption of another product, tobacco. During our study, we discussed neutral packaging for cigarettes. It clearly says that cigarettes ultimately kill smokers. Alcohol is not necessarily deadly, but it can kill people more quickly than cigars and cigarettes can. And yet, although it is illegal to sell these alcoholic beverages to young people, they are on convenience store shelves and are readily accessible, whereas cigarette packages are hidden behind the counter and are not accessible to young people.

I don't know whether you also think that access should be reconsidered or that further precautions should be taken. People in the industry, whether they are from Beer Canada or elsewhere, defend their position. As one might expect, they want to make sure they have the right products in the right places. But why are these products so readily accessible to young people? You talked about young people stealing these products to consume them. If they wanted to steal cigarettes, it would be much harder.

Don't think that availability is an important problem? Mr. Westcott, Mr. Helie, and Mr. Harford, what are your thoughts on the availability of these products?

Mr. Laliberté, I will have another question for you later on.

Mr. C. J. Helie (Executive Vice-President, Spirits Canada): Thank you for the question. I will answer in English.

[*English*]

The fact that this product was stolen is obviously a specific occurrence, but it can happen that there is theft in liquor stores owned by government agencies as well, so theft is a problem. The issue, of course, is that as a retailer you should take measures to ensure that those risks are minimized. The corner store market in Quebec doesn't do that great a job at securing the product. They have put in these huge promotional displays of products like these, which are easily accessible to anybody walking into the store. We have a program of educating private retailers who sell our products to ensure that proper security measures are taken.

● (1800)

Mr. Ramez Ayoub: Okay, you have a program like that. And they're aware? They're applying the program?

Mr. C.J. Helie: We don't sell in corner stores in Quebec.

Mr. Ramez Ayoub: No, no.

Mr. C.J. Helie: We're spirits. We sell in private stores in British Columbia, in Alberta, in Saskatchewan. We advise retailers about what kinds of risks there are of having our products on—

[*Translation*]

Mr. Ramez Ayoub: I see what you are saying. In rereading what the retailers from Quebec said, I can see they had no choice but to sell and promote the product, since their competitors were doing it. As I see it, this all points to a need for much stricter regulations in order to protect young people. As to adults, they are consenting and can purchase products, but I am more concerned about young people.

[*English*]

Mr. C.J. Helie: Every corporation has choices to make in terms of how importantly they value different aspects of their business. Retailers have a choice to list a product or not list a product. They have a choice to put it on promotion or not put it on promotion. None of that is forced on them. It's a choice.

Mr. Ramez Ayoub: It's a choice, and there is maybe a lack of intention there to apply the good rules.

Mr. C.J. Helie: The vast majority do a very good job. It's the outliers who are the problem.

[*Translation*]

Mr. Ramez Ayoub: How much do you invest in awareness and prevention?

Retailers and associations do not talk about this much. As you said yourself, it is not always applied and it is done on a voluntary basis.

Mr. Harford, what does your industry do to raise awareness, whether among the public or among your retailers?

[*English*]

Mr. Luke Harford: There are two things I would like to say to that. I think a constant theme for the committee as it does its investigation will be this: there's no single silver bullet that will solve all the issues. It will be the way in which the regulations, the educational system, the policing system, and the industry all co-operate together to create a safe environment and prevent harmful use of beverage alcohol.

On the question of availability, it's exactly the struggle I have with this investigation, because there are rules in Quebec that should have been deployed to address this situation and stop those products from being marketed the way they were marketed. That just didn't happen. Federal food and drug regulations will have a really hard time addressing a manufacturer who's going to produce and market products like that. The industry could do whatever it wants.

They're not members of ours who produce those products. They're not members of Spirits Canada either. It will take a real collaborative effort, if you will, for government, industry, parents, and educators to all get together to address these issues, which are going to happen. They have to be approached aggressively but with the understanding that there will still be a need to collaborate and work together.

The Chair: Time is up.

We will move to Ms. Gladu.

Ms. Marilyn Gladu: Thank you, Chair.

Thank you to the witnesses for their testimony.

My first question is for you, Mr. Westcott, or possibly Mr. Helie. It has to do with the premixed rum and colas that exist today. How many grams of alcohol are in those?

Mr. Jan Westcott: Generally speaking, they are 7% alcohol or less. Most of them are 5%, 6%, or 7% alcohol. That's the norm in the cooler business.

Ms. Marilyn Gladu: They are one serving, right?

Mr. Jan Westcott: Yes, one serving.

Ms. Marilyn Gladu: Okay.

I really agreed with the point that was made that the can is too big. There is no way we should have four servings of alcohol in a single-serving type of can, especially when health regulations say that the daily maximum for women is two and for men three.

I don't know why there is not gender equality there, Jan.

Voices: Oh, oh!

Ms. Marilyn Gladu: You might want to take that one up.

Mr. Westcott, there was a suggestion earlier that when you buy a Coke, there is nutritional information on it. When you buy Clamato juice, there is nutritional information. But when you buy a rum and cola a Caesar, there is no nutritional information. There was a suggestion that we update the regulations so that those things would fall into the same nutritional information that you normally get on other foods. What do you think about that?

● (1805)

Mr. Jan Westcott: Part of the reason that beverage alcohol historically has not been subject to this practice is that, when we make our products, they go through what you call substantive transformation. So the things that go into the product are not necessarily what the consumer experiences when they come out. There's been a long-standing practice of treating them differently. Those are perhaps things you should look at, but to be perfectly honest, these are not issues that anyone has brought forward to us in the past regarding any products that we produce.

These issues tend to come up when you have...and we're only talking about three, maybe four companies. As Luke said, they're not our members. They're not his members. They're not members of the wine industry. They're not members of the established industries. In fact, I would go so far as to say they are actually marketing companies, in many cases. They have attempted to, in many cases, mimic our products for policy reasons. The policy reasons are that if you are a wine-based or grape-based product you can be sold in a lot more places and you pay a lot less tax. So people try to create things that are like our products to obtain those benefits, and they go too far sometimes.

We have been complaining about these products for six, seven, eight years because they do damage the business. They harm consumers, and it's unfortunate that we have a casualty that brought us here today. But this is not a large group of people. We have been making coolers in the wine business and the beer business and the spirits business for decades. We had some initial issues because they were new products, but we basically managed those and we worked very hard to make sure they didn't fall into the hands of young people and that we didn't market towards them. We worked hard at that.

Ms. Marilyn Gladu: We've not seen any instances of that.

There was testimony from Health Canada today talking about the guarana that is put in as an additive, and their information was that there was an insignificant amount of caffeine. Is that your experience, or do you think there is different information? I'll give that to Dr. Laliberté, and they we'll go around.

Dr. Martin Laliberté: It's actually very interesting because guarana is a plant, and, as you can guess, the plant can grow in different ways. It can be big, it can be small, it can contain a lot of caffeine or less caffeine, whether you actually take the seeds or the roots or any part of the plant. In fact, guarana, the guarana seed, usually contains more caffeine than coffee beans. It's actually been known for centuries in South America to be an energizing substance. They say it's guarana extract, so it's natural, and so there is no problem. We put it in a drink, but, in fact, we haven't run any tests.

Ms. Marilyn Gladu: Yes, there's no tests.

Dr. Martin Laliberté: Exactly.

I think we're actually putting our heads in the sand with this. Saying that this is not caffeine, it's guarana would be the equivalent of saying this is not morphine, it's opium. And that could actually be proven to be dangerous.

Mr. C.J. Helie: I noted in our testimony that if a product is listed by a liquor board, it has a maximum 30 milligrams of caffeine per serving. So in a single-serving container, the maximum is 30 milligrams.

Ms. Marilyn Gladu: Is there testing for that?

Mr. C.J. Helie: There is. Every product is tested by a liquor board.

Ms. Marilyn Gladu: So there's kind of a gap where the natural product—

Mr. C.J. Helie: No, that includes guarana and all naturally occurring caffeines whether it comes from coffee, tea, cola, or anything else.

Ms. Marilyn Gladu: Okay, so there is testing there.

There was a comment made—I can't really remember who made it—about the CFIA and there being very little enforcement action on alcoholic energy drinks. Whoever made that comment, can you elaborate a little bit more? I was interested in that.

Mr. C.J. Helie: That was in our presentation. There have been a number of products that have been presented to the public as alcoholic energy drinks but that are not really alcoholic energy drinks. So a product like Octane 7, Mojo, would have label statements on it that said it was a source of energy. We would go to CFIA, and they would say that is not possible, that an alcoholic beverage cannot be a source of energy. CFIA's priority has always been health and safety, not misleading consumer information. We tried to tell them this was also a health and safety issue, but it was not a priority of enforcement.

● (1810)

Mr. Jan Westcott: This blurs the lines and it leads ordinary people who aren't doing in-depth research to believe that these products exist and that they're okay. The Government of Canada has been very clear on this for a very long time, and all the liquor boards say you can't mix caffeine and alcohol. You cannot do it. It's not legal in this country, and yet these products convey the impression that this is exactly what's happening, and I think consumers get confused.

Ms. Marilyn Gladu: Yes, it looks like there was a failure of enforcement of a whole bunch of different regulations at multiple levels here.

Those were my questions. Thank you, Chair.

The Chair: That's perfect timing.

Mr. Boulerice.

[*Translation*]

Mr. Alexandre Boulerice: Thank you, Mr. Chair.

Thank you to the witnesses for their presentations.

My first question is for Dr. Laliberté.

I liked the six points that you summarized. They were very clear and direct.

We can take all kinds of measures to reduce the size of cans, sugar level, and alcohol level, but would it not be easier to ban the sale of these sweet, alcoholic beverages all together?

Dr. Martin Laliberté: Mr. Boulerice, I would probably not be too sad if these products disappeared from the market tomorrow. That said, alcohol is part of our world and part of our life. We have to remember that. Clearly, we need to find the right balance. Opting for a quantity of alcohol that is equivalent to one drink would definitely simplify matters. That would be like setting the meter at the same level for everyone, whether we are talking about beer or these beverages.

Mr. Alexandre Boulerice: We want to stop young people from getting these kinds of alcoholic drinks, even if they are illegal or prohibited. This brings up the whole issue of price and availability. We talked about that earlier.

What do you think about changing the price of these products that are sold in corner stores and grocery stores?

That has been suggested.

Dr. Martin Laliberté: Ms. Paradis gave an excellent presentation. I am not an expert on pricing, but it seems clear to me that if you can buy the equivalent of four drinks for $3.99, that is a problem. There are various factors, but price is a very important one.

Mr. Alexandre Boulerice: Mr. Harford, the Health Canada presentation we heard clearly implied that that department was going to make changes to the regulations regarding the size of these products. The purpose is indeed to reduce the volume, the quantity and possibly alcohol content in these drinks. As you said earlier, that percentage can reach practically 12%, which is enormous.

Would the members of your association be favourable to the adoption of such measures on the size of the cans or the percentage of alcohol?

[*English*]

Mr. Luke Harford: Yes indeed. What we're suggesting in our remarks is that the bigger the can, or the bigger the serving, the lower the alcohol percentage, so that it's a maximum of 30 grams of alcohol in total.

A smaller can or a small bottle could have a higher percentage of alcohol. There are some Belgian-style beers that have second fermentation and can be 8% or 9% alcohol. They're sold in a 341-millilitre bottle and have been on the market for 25 years with no issues. We don't necessarily want to take away from those products, but we understand. As the size of the container gets bigger, the lower the amount of alcohol, so the total amount that is being consumed is the same.

[*Translation*]

Mr. Alexandre Boulerice: Thank you very much.

The question I have for you does not only concern the cans, but it is related to advertising. Everyone says that we have to raise awareness and protect young people, inform them and so on. However, someone pointed out that the only code governing advertising for alcoholic drinks was issued by the CRTC and goes back to 1996.

There is a fundamental issue: the CRTC has no authority over the Internet or social media. I can assure you that very few teenagers still use television in the way people did 20 or 30 years ago. However, they are present on Instagram, Twitter and Facebook.

The sale of alcoholic beverages is encouraged through advertising, but there is practically no control over this since the tools we have at our disposal are governed by the CRTC and are completely obsolete.

What do you think of that situation?

● (1815)

[*English*]

Mr. C.J. Helie: Maybe I could start.

Mr. Alexandre Boulerice: You look like you want to jump in.

Mr. C.J. Helie: I do. I want to jump in.

A number of witnesses earlier today said that the CRTC code is voluntary. It's voluntary in name only. There is no licensed broadcaster that will put any beverage or alcohol ad on television or radio without a review stamp by Ad Standards Canada, which applies the CRTC code. That's broadcast advertising.

Most provinces have adopted the CRTC code into their provincial regulations, and apply that to all advertisers within their provinces, including social media. On top of that, we have adopted a voluntary industry code that polices our own members and invites consumers to regulate us by lodging complaints—again, reviewed by an independent, third party expert.

[*Translation*]

Mr. Alexandre Boulerice: That's very interesting. Thank you.

Would someone else like to address the issue of advertising?

Dr. Laliberté, you have the floor.

Dr. Martin Laliberté: I'm really not an expert of advertising, and even less so on the Internet and social media.

That said, in the marvellous world of medical toxicology over the past 15 years, we have seen an exponential explosion of the substances that are offered to people. It's all gotten quite far removed from alcoholic drinks alone. I'm referring to all of the medications, including opioids and synthetic cannabinoids.

As far as I'm concerned, I think we have to make all of the necessary efforts to control this phenomenon as much as possible. Just between us, Mr. Boulerice, we can't kid ourselves, unfortunately. We're living in an era of globalization and that has an impact on a large number of things, for instance alcoholic drinks and illegal drugs. We should not give up, nevertheless. We have to shoulder our responsibilities, but we have to realize quite humbly that Canada's capacity to intervene as a sovereign country will remain relatively limited.

I'm sorry to be somewhat negative.

[*English*]

The Chair: Mr. McKinnon.

Mr. Ron McKinnon: Thank you, Mr. Chair.

Mr. Westcott, in your testimony you mentioned icewine. It has an elevated sugar content, but not an elevated health risk. That brings us to the big question: how do we effectively differentiate in regulation between products such as that and this other product, the name of which we dare not speak?

Can you tell me what the alcohol and the sugar content of icewine is, and maybe compare that with the other product?

Mr. Jan Westcott: It's high, given the nature of the product itself. I don't have a B.C. example, but I'll use an Ontario icewine. The sugar content is 260 grams per litre.

Mr. C.J. Helie: So 26%.

Mr. Jan Westcott: That's because when the grapes are on the vine freezing, the water crystalizes out and leaves more sugar. That's why they're sweet. It's the same thing when we make liqueurs. If you use a traditional method, the fruit brings a lot of sweetness right into the liqueur. Those are naturally occurring; they are part of the process.

Let's be very honest. We're not having these discussions because of those kinds of products. It would be fair to say that in some cases the nature of those products does kind of mask the taste of alcohol. That's not a bad thing. It just brings a different dimension to that product.

Again, we're going back to a very small universe of products, and I concur with Luke that had there been even normal enforcement, we wouldn't be sitting here today. To a certain extent, this is a lack of enforcement of existing regulations, so here we are. Trust me, we developed our own code in the industry. We have a separate code through Ad Standards. We go way beyond what the CRTC, and pretty much everybody else, says because we don't want to be sitting here in front of you having these kinds of conversations. We work really hard at that.

I think the last time I was before the health committee was on a similar issue where people were making things. They weren't part of the industry really. I wouldn't even say that they were manufacturers. They were marketing companies, and we all got caught up in that.

So, there is a very big distinction.

● (1820)

Mr. Ron McKinnon: What rule can we specify to say that "this product is bad and this is..."?

Mr. Jan Westcott: We're struggling with that. I think Health Canada is struggling with that.

We're looking at the sugar content. We're looking at the alcohol quality. We're looking at the size of the container. All those things come together.

Are we there yet? I'm not sure. We're getting closer. I think that's generally where we're going to go.

Mr. Luke Harford: It's not a perfect approach, and I think Health Canada, with the tool box it has, is in a really difficult position. There has to be some expectation that this is going to be dealt with at the provincial level.

One thing we're suggesting is the high sweetness level plus being a non-standardized product. Icewine is standardized. Liqueurs are standardized. There are some that fall outside of what a standardized product is. Those would have to be looked at and possibly grandfathered, but for the most part, that model could help Health Canada set an alcohol restriction for the targeted products.

Mr. Ron McKinnon: We have to then make a list of what are standardized products, right?

Mr. Luke Harford: No, those are in the food and drug regulations. Beer is a standardized product. For anything labelled as a beer, you know exactly what's permitted for use in its manufacturing. It's in the food and drug regulations, as it is for whisky, vodka, wine, ciders, and liqueurs. There are non-standardized products, which Four Loko and the other one would be part of. Tied with the high sweetness, that might be the right A-mix that Health Canada could use.

Mr. Ron McKinnon: I have another question for Dr. Laliberté.

You spoke of caffeine. Now, as we know, caffeine is not a legal additive per se but it can be present if it's serendipitously added as a result of flavouring from some natural product. Are you saying the caffeine that does make it into these products is at a level that is problematic?

Dr. Martin Laliberté: Unfortunately, Mr. McKinnon, I don't have a lab to test all those products, so it's just as a general concept. What I'm saying is that if we're strict on caffeine in its chemical form, and we're not strict on guarana, then we're basically not being consistent.

Caffeine is what we call an adenosine antagonist. It acts on the adenosine receptors. Well, my adenosine receptors and yours don't really sense a difference between chemical caffeine and caffeine from a natural source. Given the fact that anywhere on the plant the concentration of caffeine can vary quite a bit, from 2% up to 8%, and there are actually guarana extracts that can go up to 15%, that's a variation that's about fivefold, or even more. I'm not accusing any company here or anything like this; I'm just looking at the current regulation, and I see an imbalance between the two, given the fact that I suspect that guaranine—guarana-containing caffeine—probably doesn't end up in that drink just by pure random chance.

Mr. Ron McKinnon: Thank you.

I think I have time to sneak in one more question.

The Chair: You do.

Mr. Ron McKinnon: This concerns single-serve containers. There's been a lot of talk about how we should specify regulations in terms of container size and so forth. I'm thinking that if we do that, an entrepreneur with some initiative will say, "Hey, why don't you try our new party pack?", and they'll sell it in two-litre bottles instead. I guess I'm wondering if the whole single-serve container concept is something we should look at or abandon.

Mr. Jan Westcott: If you go to a liquor store or you see any of our products—a bottle of whisky, a bottle of rum, a bottle of vodka—they're not single-serve containers. We're not having any problems with those in that sense. I think anytime you have a container that encourages people to drink everything that's in it because you can't close it back up and you can't store it, that's an issue.

● (1825)

Mr. Ron McKinnon: So if we had big containers, this wouldn't be a problem?

Mr. Jan Westcott: It depends on how they're marketed. It depends on what the intent of them is. I think it's going to be a struggle to find that answer.

Mr. Ron McKinnon: Thank you.

The Chair: Okay, thanks very much.

That completes our session for today with our witnesses.

I want to thank you all for the information you provided, and also for the excellent briefs you provided. You each had a brief for us that we can refer to. I want to thank everyone again for their participation.

I do have a little bit of committee business, just to tell you about changes in our schedule, but I'll release the panellists now.

It's not complicated. If you go to your schedule, we were to have the minister on May 7. The minister's not available on May 7, so we're going to have organ donation witnesses on May 7. We had a meeting scheduled for May 21. The House doesn't sit that day because it's Victoria Day, so we're not going to have that meeting. On June 4 we were going to have the organ donation report; we're going to do the premixed drinks report. On June 6 we were going to have the diabetes draft report, but we are going to have the food guide witnesses.

If you have any questions, let me know and I'll help you with them.

With that, thank you very much.

The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its Committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its Committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: http://www.ourcommons.ca

Publié en conformité de l'autorité du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante : http://www.noscommunes.ca